

**DIGITAL G.I. BILL UNDELIVERED:  
CONTRACTING CHALLENGES AND THE  
NEED FOR ACQUISITION REFORM**

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**JOINT HEARING**

BEFORE THE  
SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION  
AND THE  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
OF THE  
COMMITTEE ON VETERANS' AFFAIRS  
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# **DIGITAL G.I. BILL UNDELIVERED: CONTRACTING CHALLENGES AND THE NEED FOR ACQUISITION REFORM**

**WEDNESDAY, FEBRUARY 4, 2026**

SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION,  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,  
COMMITTEE ON VETERANS' AFFAIRS,  
U.S. HOUSE OF REPRESENTATIVES,  
*Washington, DC.*

The subcommittees met, pursuant to notice, at 2 p.m., in room 360, Cannon House Office Building, Hon. Tom Barrett [chairman of the subcommittee on Technology Modernization] presiding.

Present from the Subcommittee on Technology Modernization: Representatives Barrett, Budzinski, and Cherfilus-McCormick.

Present from the Subcommittee on Economic Opportunity: Representatives Van Orden, HAMADEH, King-Hinds, Pappas, Ramirez, and Kennedy.

## **OPENING STATEMENT OF TOM BARRETT, CHAIRMAN, SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION**

Mr. BARRETT. Good afternoon. The joint committee hearing will come to order.

Today we are here to talk about the most important promises our Nation makes to those who have served. Veterans make a commitment to our country. They make the sacrifice. When our veterans come home, America needs to help them build the next chapter in their life, which is why we are here today.

For millions of veterans and families, the GI Bill is not just a benefit. It is the bridge from military service to civilian life. It gives veterans a fair shot at building a future. It ensures veterans have the tools they need to get the education or job training they want, where they want it, and without a bunch of bureaucracy standing in the way, so that they can eventually be competitive in the American economy. That promise should be simple and it should be reliable.

Over several years, the Digital GI Bill (DGIB) has struggled to meet that standard. The system was meant to modernize how education benefits are delivered. It is supposed to replace outdated systems, reduce paperwork, make payments safer. Instead, what we have seen are delays, confusion, and multimillion-dollar rising costs to contracts. That is unacceptable.

The Digital GI Bill system began with unclear requirements, moved forward without the right subject matter experts at the

table. For years, it lacked basic project management discipline and a reliable schedule. This is not a modernization mistake. This is a mismanagement, plain and simple.

The Digital GI Bill contract was awarded 5 years ago, in 2021. It was expected to cost hundreds of millions of dollars. Today, that cost has more than doubled, with a full life cycle price now reaching into the billions. Meanwhile, veterans are missing housing payments. We have seen delays that have been unnecessary. Schools are being left in the dark without clear guidance. There is not a single technical error—this is not about a single technical error. It is an accumulation of multiple errors. It is about leadership decisions, contracting strategy, and it ties back to a lack of accountability.

The benefit system itself should never become a barrier to the benefits they are set to give. Veterans earn the GI Bill through years of service and sacrifice. They should not have to re-earn it by waiting in call queues, navigating backlogs, or praying the system works this time, or contacting their Member of Congress to work through the problem with them. Today's hearing is about understanding what went wrong and, just as importantly, what must change going forward because this problem is not unique to the Digital GI Bill.

Across the entire Department, large technology programs continue to struggle under vague requirements, weak oversight, contracts that balloon and cost taxpayers more, while delaying the delivery of U.S. Department of Veterans Affairs (VA) services to our veterans. When accountability is unclear, the costs always end up going up, schedules slip and get delayed, and the veterans and their families these systems are meant to serve pay the price. That is why this hearing is also about acquisition reform. If we do not fix how these systems are procured and awarded, we will repeat the same mistakes at the expense of veterans and taxpayers.

I chair the Subcommittee on Technology and Modernization. I know my friend and fellow subcommittee chairman, Representative Van Orden, shares this message that this does not work for us. The status quo is not cutting it. President Trump and Secretary Collins share that commitment.

Thank you again for all being here today. I look forward to a productive discussion on how we can move forward to create more permanent changes.

I just want to say that I personally have benefited from the GI Bill. Used that in my own personal life and I know countless other veterans who have as well, and it stands out as one of the biggest pillars of economic opportunity that our country has undertaken.

Before I yield, please be advised that the chairman may declare a recess at any time. With that, I want to yield to Ranking Member Budzinski for her opening statement as well.

**OPENING STATEMENT OF NIKKI BUDZINSKI, RANKING MEMBER, SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION**

Ms. BUDZINSKI. Thank you very much, Chairmen Barrett and Van Orden and Ranking Member Pappas. I value the oversight work our two subcommittees have done on the Digital GI Bill program in recent Congresses.

As I mentioned back in December, it is unfortunate that the program's relative success has been impaired by recent missed payments and a lack of communication by the Department. Even more unfortunate is that many have pointed the finger at Information Technology (IT) hiccups or tech glitches when it appears that policy decisions, a lack of planning, and poor contract management were actually to blame, issues that plagued too many of VA's modernization efforts.

While I appreciate our conversation today on the intricacies of government contracting and project management challenges within the Digital GI Bill program, these are systemic issues that we see across VA modernization efforts, like supply chain modernization, electronic health record modernization, the integrated financial and management system, or IFAMS, just to name a few. To this end, I would like to insert VA's Office of the Inspector General's recent report here analyzing VA's major management and performance challenges into the record and specifically highlighting its section addressing challenges to the information systems and innovation.

Mr. BARRETT. Continue.

Ms. BUDZINSKI. Thank you. The report highlights the critical work VA employees do to provide world-class veteran healthcare, disability payments, education and survivor benefits, memorial services, and more. However, VA's Office of Inspector General (OIG) notes significant challenges in effectively deploying IT products within the same implements—impediments rearing their heads over and over again. Inadequate planning, insufficient resource development, limited stakeholder engagement, and failures to promptly fix known problems, these are all issues that OIG has identified in their August 2024 report about contract management failures within DGIB, and there are topics we discussed in September 2024 hearing about that report.

Despite the recommendations from that report being closed, I have two major concerns. First, I worry about the status of these recommendations and the applied resolution in light of the significant personnel, contractual, and procedural changes that have occurred under Secretary Collins. Second, in light of this recent report on management challenges and our continued oversight, has VA systemically—systematically addressed these issues with contract management and can they apply them to future contracts even with a depleted workforce?

While I highlight this one report from OIG, there are dozens of more just like it from OIG, the Government Accountability Office (GAO), and other oversight watchdogs assessing VA's capacity for modernization. Many of these reports highlight that when these controls and processes break down, small errors turn into large losses and erode the public trust. Siloed conversations about how VA manages one contract will not improve the issues OIG or GAO raised. I believe our time would be better spent taking a holistic view at the high-level systemic issues that plague VA's IT modernization efforts rather than playing whack-a-mole on each individual contract.

Last, I look forward to hearing from VA, Accenture, and Veterans Education Success (VES) today on VA's progress in processing beneficiary claims and delivering timely payments. While I

believe the delays were caused by structural challenges in intentional policy decisions within the VA rather than contractor performance, I look forward to hearing how VA can improve its planning, execution, and communication and prevent added confusion, frustration, and further delays in benefits.

Thank you and I yield back.

Mr. BARRETT. Thank you, Ranking Member Budzinski.

I now yield to our Subcommittee on Economic Opportunity chairman, my friend, Chairman Van Orden, for his opening statement.

**OPENING STATEMENT OF DERRICK VAN ORDEN, CHAIRMAN,  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY**

Mr. VAN ORDEN. Thank you, Chairman. Thanks for everybody for being here. I mean, I also want to thank the VA for finally sending the actual witness that we wanted instead of taking their pick. That is our pick, not yours.

I believe that this topic can and needs to be approached in a non-partisan manner and I appreciate your comments, ma'am. The ultimate goal of this hearing is to get down to brass tacks and figure out how the VA can continue its efforts to keep the Digital GI Bill program—excuse me, I need to correct that. It is not keep the Digital GI Bill on program or on track. It is get the Digital GI Bill on track.

As chairman of the Subcommittee of the Economic Opportunity, I am committed to providing our veterans with the resources that they need to pursue the education or employment opportunities. Veterans earn their educational benefits through their service to this great country and it is our obligation to ensure these benefits are delivered reliably and on time.

Now, the Digital GI program was supposed to be a multimillion-dollar VA effort. It has now turned into a multibillion-dollar effort. It is supposed to—intended to streamline the education claims processing by consolidating out—excuse me, outdated legacy IT systems and automating adjudication of most claims. This should make it easier, not harder for veterans to access and receive their educational benefits. However, the delays in benefit payments continue to impact student veterans.

I swear it was like 2 days ago it was Groundhog Day. This is like Groundhog Committee with you guys.

I will be very clear. The Veterans Affairs Administration has a zero, zero, success rate of creating their own infrastructure like this. Zero. Have not got one right at all. That goes into the health record and everything. It is a disaster.

We are also going to hear about the real-world impacts of these delayed payments on students. Today's hearing is going to examine how contracting issues and lack of program oversight led to these delays, delays in payments, and how we move forward.

The purpose of this hearing is to focus on the solicitation and contract administration of the GI Bill, Digital GI Bill. Specifically, how contracting decisions made in the early stages of this program have impacted delivery of the platform that has only ballooned the cost of contracting to over \$2 billion. Imagine what we could do with a billion and a half. Let us say you needed \$500 million for

this. Imagine what we could do with the other \$1.5 billion to provide services to our veterans. It is inexcusable.

The cost of this project has increased over billions of dollars compared to the original estimates. During today's hearing, you have got to take responsibility. You have to take responsibility for the continued delays and the skyrocketing costs on behalf of the American taxpayers. Student veterans deserve a reliable modern system and taxpayers deserve assurances that their investment is worthwhile, period.

Today we have witnesses from the Veterans Benefits Administration (VBA) and the Office of Information and Technology (OIT) and the Office of Business Integration. With these different departments within the VA present, sorry, I look forward to seeing how all of you can work together to ensure the Digital GI Bill is in good hands and finally take accountability for the massive years-long failures.

I want to end with a quote from General Omar Bradley. We are dealing with veterans, not procedures. It is their problems, not ours. Meaning when you are focused internally on your own problem sets, you cannot focus externally to the veterans. Again, that is unacceptable.

With that, I yield to Ranking Member Pappas for an opening statement.

**OPENING STATEMENT OF CHRIS PAPPAS, RANKING MEMBER,  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY**

Mr. PAPPAS. Well, thank you very much to both of our chairmen and I would also like to echo the comments of Ranking Member Budzinski.

I am glad that we are here talking about VA education benefits, but I am confused a little bit about the approach. If we are discussing contracting issues, then VA's OIG should be at the table as a witness. Our Oversight and Investigation Subcommittee should be represented at this hearing, too. If we are going to be discussing VA management decisions, failure to communicate, and failure to pay benefits on time last fall, then we should have witnesses representing veterans, families, survivors impacted by these decisions who can testify to tell their lived experiences, as well as VA political appointees to take accountability for these decisions. Instead we have a weird hybrid setup today. I wish that the majority staff had engaged with the minority staff before last Friday so that these issues could have been worked through and we could have had an even more productive hearing today.

When I look at what happened in the fall with Chapter 35 benefits, I do not see a contract or a contractor failure. No one in VA has accused Accenture of not delivering what they were asked to when they were asked to. The issue that sparked the delays was the decision to have a human reconcile beneficiary data between the old Benefits Delivery Network (BDN) and the new VA corporate data bases used by the Digital GI Bill.

That being said, I acknowledge the fact that there were legitimate concerns about data integrity and processing of claims. VA's failure was not validating the assumption that this data reconcili-

ation would only take about 5 minutes per beneficiary. In reality, it took up to 3 hours per file.

A planning failure that compounded this mistake was VA's decision to roll out this change before the fall semester, the busiest time for VA Education Services and the largest number of veterans and survivors applying for education benefits. Previous reports and reviews of how VA implements IT upgrades have recommended that VA test changes at a small scale first and then roll out the full scale change in nonpeak months. VA did not do that here.

I understand why VA made that decision. Education Services was trying to get the last group of beneficiaries off BDN before the end of the Fiscal Year so that the system could be retired and the government would not have to continue to pay the contract to sustain it. Nevertheless, we now see the consequences of doing it that way.

Finally, the most impactful and inexcusable decision VA made was the failure to communicate with beneficiaries, with the public, and with Congress. Again, this was a decision made by the administration. Nothing prevented VA from communicating what was happening in real time. Saying that the lapse in appropriations and government shutdown prevented VA from communicating this critical information to beneficiaries is not true. Plenty of VA staff were at work. The Secretary was tweeting. It was a political decision to hide veterans—to hide this information from veteran survivors and the public and from Congress in terms of what was going on. That is unacceptable and it should be unacceptable to everyone on this bipartisan committee.

Oftentimes, when we discuss events like these, we usually say VA did this or VA did that. VA is the organization. The decisions are made by individuals. I do not think that people who made the decisions that directly led to the failures last fall that I have outlined are in the room today. That, too, is unacceptable, especially for a committee that prides itself on a reputation for focusing on real solutions to help our veterans without the partisanship that is seen elsewhere in Congress. Even if we want to say that Mr. Smith is the responsible decision-maker as the head of Education Services, I think Chairman Van Orden will agree with me from his time in the service that responsibility can be delegated down, but accountability cannot be.

For the record, we have exactly zero administration officials take accountability for these failures to date. I have been on this committee since 2019. I have seen all eight DGIB releases. I saw the issues with the original contract and VA's failure to understand their requirements and write the contract correctly under the first Trump administration. I saw the issues overseeing the contract under the Biden administration, the transition to Accenture, and the growth in the scope of the contract. I saw the massive failure to pay beneficiaries last fall. I can tell you that VA could have absolutely written this contract better to start.

I can point out that VA has had to re scope the contract several times because they did not understand their needs up front and did not plan correctly. I can say that the cost estimates have been way off as a result. I can also confidently say, and I want to underscore this, that the issues in the fall were not due to the contract. The

issues were a result of decisions that VA made and veterans' families and survivors were the ones who suffered.

When are we going to have someone take accountability for the decisions that cause harm to veterans? When are we going to, as a committee, practice what we preach, rise above the partisanship, regardless of who is in the White House, and insist on some accountability? When are we going to force that accountability? I hope we can hear a little bit more about that today.

Mr. Chairman, I yield back. Thank you.

Mr. BARRETT. Thank you, Ranking Member Pappas.

We now move on to introduce our witnesses. From the Department of Veterans Affairs we have Mr. Kenneth Smith, executive director of Education Services, Veteran Benefits Administration. Mr. Smith is accompanied by Mr. Raymond Tellez from VBA's Office of Business Integration; Mr. Jeffrey Neill from VA's Technology Acquisition Center (TAC); Mr. Robert Orifici, did I say it correctly or is there a long E in there? Orifici from VA's Office of Information and Technology.

I ask the witnesses please stand and raise your right hands.

[Witnesses sworn.]

Mr. BARRETT. Thank you and let the record reflect that all witnesses have answered in the affirmative.

Mr. Smith, you are now recognized for 5 minutes to deliver your testimony and opening statement on behalf of VA.

#### **STATEMENT OF KENNETH SMITH**

Mr. SMITH. Thank you and good afternoon, Chairmans Barrett and Van Orden, Ranking Members Budzinski and Pappas, and distinguished members of the subcommittee. Thank you for the opportunity today to discuss Digital GI Bill's program management and contract. Joining me today are Mr. Raymond Tellez, executive director, Veterans Benefits Administration, Office of Business Integration; Mr. Jeffrey Neill, associate executive director, Technology Acquisition Center in VA's Office of Acquisition, Logistics, and Construction (OALC); and Mr. Robert Orifici, executive director, Benefits and Memorial Service, Office of Information Technology.

VA's efforts to implement transformational changes through the DGIB platform have enabled VA to deliver benefits faster, enhance customer service, and strengthen compliance and oversight activities. VA has made tremendous advancements toward streamlining and automating systems and processes to increase efficiency and drive outcomes for veterans and their families.

DGIB was envisioned as a fully integrated solution to restructure both claims processing for all education benefits programs and to enhance customer service for beneficiaries and external partners. To date, the program has successfully met mission milestones to maximize service delivery through end-to-end automation for millions of education benefits claims.

Additionally, VA has exceeded initial goals by replacing and decommissioning several legacy IT systems, including the near half-century old Benefits Delivery Network and the long-term solution for Chapter 33, both replaced by DGIB. Along the road, VA has also addressed many other unplanned functionality changes as required by congressional action and court mandates.

The progress was not without challenges. The original contract underestimated complexity, particularly transitioning from legacy Common Business-Oriented Language (COBOL) as systems. Delays occurred during integration issues and testing environment shortages, and VA acknowledged this in a hearing on September 26, 2024.

Increased scope equals increased costs. For example, legislated changes, such as the Johnny Isakson and David P. Roe Act, the Elizabeth Dole Act, and court decisions, like Rudisill v. McDonough and Perkins v. Collins, each require significant work and technical reprioritization within the DGIB program.

Since implementation of the DGIB project, the MITRE Corporation has assisted VA with acquisition, planning, and program support. To ensure full multiyear understanding of costs and the strategic impact of both delay and external factors, MITRE prepared a Life Cycle Cost Estimate (LCCE). The LCCE enables education service to consider tradeoff decisions, such as new claims processor functionality versus greater automation. VA monitors these costs closely and prioritizes increased service delivery for veterans while ensuring good stewardship for taxpayer dollars.

Since 2021, VA has processed 37 percent more claims and as of December 2025, VA is automating and delivering 65 percent of all claims without any human action in a day, reducing costs and improving service delivery. As of January 22, 2026, the average days to complete education claims was 5.6 days. For Chapter 33 and 35 claims completed through automation, accuracy was 97 percent, which is on par with human processing.

VA has taken further steps to improve program management. First, VA moved from a fixed schedule to a scope-driven priority process called the Agile Software Methodology. Second, since VA has consistently processed more claims than originally forecast, VA was forced to add additional funding annually to its claims processing contract, but has now shifted to a fixed cost per month to improve predictability.

Finally, since 2021, the DGIB initiative has successfully implemented eight major releases and hundreds of minor releases. Our focus has always been on the veteran delivering benefits easier and faster through simplified application interfaces and increased automation.

Thank you for your continued support and collaboration as we work to honor the service and sacrifice of veterans. My colleagues and I are prepared to answer any questions you or other members of the subcommittee may have.

[THE PREPARED STATEMENT OF KENNETH SMITH APPEARS IN THE APPENDIX]

Mr. BARRETT. Thank you, Mr. Smith. The written statement of Mr. Smith will be entered into the hearing record and I assume your opening statement stands for the rest of the panelists with you today, so we will be able to move on to questions.

I am now going to recognize myself for 5 minutes for questions.

Mr. Smith or Mr. Orifici, the Program Management Office is tasked with requirements planning and developing cost assessments prior to solicitations for these contracts. Do you believe it would be beneficial if VA established an independent office to pro-



vide expertise in cost estimates and program evaluations for large modernization efforts, like the one undertook by the Digital GI Bill?

Mr. SMITH. Thank you for the question, Mr. Chairman. If the question is whether Program Management Office should be outside of the business line, I would say no, because the subject matter expertise to deliver that benefit is within the program, which is education service.

Mr. BARRETT. Would you say that the program—I mean, what I am looking at is the actual implementation of an IT system agnostic to the actual area under which it is going to be covering, but covering the actual implementation of the program, the program management, and the implementation of that technology. You know, the computer does not know if it is processing education benefits or health benefits. Yet it feels like we have drifted from actually getting these things implemented in a reasonable amount of time for a cost we can anticipate at the beginning.

To Chairman Van Orden's point, there has not been a successful launch of an IT system in a large scale in as far back as we can remember. Perhaps part of that is due to the localized effort of those that are managing it versus those that may have the expertise in implementing systems regardless of what they are used for.

Mr. ORIFICI. Thank you for that question. In general, we believe that we have the necessary support between IT and the business program offices as IT works to partner with the business on integrated roadmaps, on making sure that we have the outcomes that the business needs identified as we enter into these. Of course, there is never going to be perfect as we look at requirements, as we look at toward schedule, but we want to make sure that we do work toward good enough to be able to move forward and drive outcomes for veterans.

Mr. BARRETT. Yes, I do not think any of us on this committee have perfect as our expectation. We want, you know, we want outcomes that are going to benefit the veterans that we serve at costs that are not two to three times more than our advertiser and sometimes even greater than that with serving the people that have earned these benefits. You know, we have seen chronic issues within this and it seems to all come back to IT systems that are an overhaul, a massive overhaul of a legacy system, moving to an IT system, or an accumulation of a bunch of different systems in the Digital GI Bill to put this under one umbrella and then implement it, and it just seems to chronically have issues that arise from that. Moving it out into an office dedicated to this purpose perhaps would bring about a better result. It sounds like you disagree with that though.

Mr. SMITH. Sir, the program has delivered tremendous results for veterans. We are currently automating 65 percent of all of our claims. This was originally envisioned as a managed service contract. This is a managed service contract. It is not an IT contract. While we work closely with IT on integration with VA systems to issue things like payments and ensure that we have integrity across our environment, we work with our acquisition staff to make sure that contract has strong oversight and we are fair and equitable with the contractor. Then the Program Management Service

is also responsible for making sure that we achieve those outcomes in terms of the number of claims that we processed, as well as we have decommissioned eight legacy systems and have addressed countless other unplanned requirements in our—with it since 2021.

Mr. BARRETT. Okay. With the 1 minute I have left on my time, can you help me understand? You know, a lot of these things are siloed between the parts of the Department that they are contained within. Is there any collaborative effort or sharing of information, best practices, lessons learned? I mean, in the Army, we had a whole safety center that shared, hey, this thing happened, and now we are going to change our protocols. The next time we go and do a scenario or an exercise this way. Is that happening within the VA or are there really siloed offices and practices going about this that may make the same mistake as another office did 2 years ago or 10 years ago?

Mr. SMITH. I would like to ask Mr. Neill or Mr. Orifici to respond.

Mr. ORIFICI. Sir, thank you for that question. We definitely have lessons learned that we share up through the IT organization as we work with this effort.

Mr. BARRETT. Is that a formal process or just like a, you know, you call somebody you know in the other office and tell them?

Mr. ORIFICI. It is more of an informal process, but it happens where we share lessons learned. We have regular meetings between the program offices and portfolios that work on these efforts, and there is lessons learned shared across these groups.

Mr. BARRETT. Okay. My timing is up. I want to make sure I go through the proper protocol of who I am supposed to recognize.

Is it Chairman Van Orden next or Chairman—Ranking Member Budzinski? Okay, go ahead, Ranking Member.

Ms. BUDZINSKI. Actually, I am going to pick up where you—I think you left off, Chairman Barrett.

I just wanted to put a finer maybe point on, I think, his questioning. One of the things I am still kind of confused by, by your responses, is who is actually leading this acquisition? You know, I can understand that VBA, the business line, OIT is involved, the Office of Acquisitions, Logistics, and Construction. I think what Chairman Barrett might have been asking, and I am also still curious about, is that work being siloed, who is kind of overarching in charge of the acquisition itself?

Mr. SMITH. In terms of the actual acquisition and the DGIB system, I, as the executive director for Education Service, I am the responsible official.

Ms. BUDZINSKI. Okay. I think just asking kind of again, for you to maybe further elaborate on, you know, the confusion that did seem to have occurred here between these multiple different entities that led to some of these issues. In looking back on this, was there anything in retrospect you would have handled differently that could have mitigated some of the confusions?

Mr. SMITH. I am not sure which confusions you are referring to, ma'am. I would say that, as I said in my opening statement, there were unclear expectations around the timeline and level of effort for decommissioning legacy systems and coming out of the COBOL

system into a modern data base, as well as unplanned scope. We had to address new requirements within the same budget.

Ms. BUDZINSKI. Yes. I guess what I mean is like cost overruns, issues with delays, those kind of confusions. If there was anything that you might have done differently specifically.

Mr. SMITH. In terms of cost overrun, it technically was not an overrun. It was a cost expansion. We added costs because we added scope to the contract to address new functional requirements. These functional requirements were, as I said, the Isakson-Roe Act, the Dole Act, Rudisill, and Perkins, to name a few.

Ms. BUDZINSKI. Okay. I will move on. I think one of the issues, though, is getting the scope right is so important so that we do not see these projects continue to balloon in cost and so confusion and a lack of communication so that the scope gets done right the first time and it does not continue to expand and taxpayers continue to pay for a larger price tag for implementation. I will move on from there.

Mr. Smith, MITRE, who is joining us on our second panel, has been a contractor to conduct the VA's Life Cycle Cost Estimate for the DGIB program since 2021. I understand that the VA ended that contract after MITRE delivered its last estimate in April. How does the VA plan to perform these estimates without this contract?

Mr. SMITH. Thank you for the question. We are looking at ways to manage that, either to in-house it or find another solution.

Ms. BUDZINSKI. Okay. It seems like a big part of the cost growth with the DGIB program has not been fully understanding what you need, again, as I mentioned before, one of the surest ways to underestimate acquisition costs. Are you confident the VA understands all the elements of your requirements so they will stop growing?

Mr. SMITH. Yes, I think we do have an understanding of our scope. We do understand that there are new requirements that we still need to work in while also executing the final components of—that we had actually planned in the original contract.

Ms. BUDZINSKI. Okay. My next question is, who will be responsible for revising the cost estimates going forward? Is that you?

Mr. SMITH. It would be under the direction of my office. You know, the actual whether we contract it out or do it in-house is something we will have to decide still.

Ms. BUDZINSKI. Okay. Are you confident that whoever that will be will have the expertise to actually come up with that robust estimate and get it right the first time?

Mr. SMITH. We will come up with a cost estimate, and we will be happy to share it with you and the subcommittee.

Ms. BUDZINSKI. Okay. How did VA come to decide that taking this task in-house is the most appropriate considering numerous reports about VA's inability to accurately and reliably perform LCCEs?

Mr. SMITH. We believe that having worked with MITRE over a number of years, that we should be able to transition some of that work. While, again, it may not be perfect the first time with government personnel taking over, we would be looking forward to, you know, getting that correct.

Ms. BUDZINSKI. Okay. I will go ahead and yield back.

Mr. BARRETT. Thank you, Ranking Member Budzinski.

I want to recognize Representative Hamadeh for 5 minutes.

Mr. HAMADEH. Thank you, Mr. Chairman. I want to also thank my colleagues on the other side of the aisle, too. I think we have got a lot of bipartisan support in trying to make sure that the veterans are taken care of here today.

The Trump administration has prioritized dismantling the bureaucratic paralysis and, quote, “contractor entitlement.” Both bureaucratic paralysis and contractor entitlement have stalled progress during the previous term. Now these reform efforts face a critical test with the Digital GI Bill. Despite VA’s reported backlog reductions, the program’s rollout remains a flashpoint for mismanagement and systemic payment failures that continue to affect veterans. Secretary Collins has been doing a commendable job carrying out President Trump’s mandate, and I appreciate the VA’s timely submission of their written testimony by Monday morning for today’s oversight hearing.

Now, Mr. Smith, thank you for being here today. I want to focus on August 2024. The VA’s Office of Inspector General issued a report on the Digital GI Bill platform that found the VA did not effectively manage the contract and all of these problems started during the planning stages for the project. The VA awarded the contract before it understood exactly what was needed. This resulted in subsequent contract changes that more than doubled its cost.

Now, going off of what Congresswoman Budzinski was talking about, what steps has the VA taken to ensure its cost as estimate is accurate, reliable, and complete? Did you rely on the Government Accountability Office’s estimating guide for your determination?

Mr. SMITH. Thank you for the question. MITRE completed the last version of the Life Cycle Cost Estimate and, yes, they did follow the GAO’s guide for that.

Mr. HAMADEH. It was just inaccurate?

Mr. SMITH. The Life Cycle Cost Estimate has—is a range estimate, so there should be an upper bound and lower bound, and the DGIB actual costs are within that range.

Mr. HAMADEH. What part of that range?

Mr. SMITH. I would have to get back to you.

Mr. HAMADEH. Would it be on the higher end of that range for the range that you were discussing?

Mr. SMITH. I cannot recall exactly. I just know it was in range, sir.

Mr. HAMADEH. Please get back to me on that. Now, what steps have you taken to ensure all requirements have been identified?

Mr. SMITH. We use an Agile software development methodology to ensure that the high-level functional requirements are captured and we work in 3-month increments to develop and deploy functionality and ensure that we have good integration across our system.

Mr. HAMADEH. Is there a risk that the requirements can keep growing?

Mr. SMITH. There always is, particularly as new legislation is developed or court cases are found against the VA, and we have to make adjustments to systems to account for those changes.

Mr. HAMADEH. In August 2024, the VA OIG report also laid out how the VA has repeatedly not been ready to support the work of the contractor. Now this includes failing to finalize system requirements on time, not developing the test environments needed by the contractor, not doing their due diligence to make sure the system worked. Can you confirm whether any outstanding payments to the VA contractors are preventing the release of new capabilities or improvements that would directly benefit veterans?

Mr. SMITH. I am sorry, are you asking if there is—if we have withheld payment from the vendor?

Mr. HAMADEH. Yes.

Mr. SMITH. No, we have not.

Mr. HAMADEH. Does that—for the contractors, so you pay them before and the requirements are being delivered on time?

Mr. SMITH. No, we always pay contractors in arrears.

Mr. HAMADEH. Do you have the staff and expertise you need in the Office of Information Technology and the Program Office to manage and support the program?

Mr. SMITH. I have high confidence with Mr. Orifici and his staff.

Mr. ORIFICI. Thank you for that question. We have an adequate staff that is supporting this team who is dedicated to support the Digital GI Bill for IT infrastructure and related concerns.

Mr. HAMADEH. I know you say that you have adequate staff, but it has been delayed, it is over cost. How could you say that right now to the committee?

Mr. ORIFICI. As we look at the program and where it is gone, we have successfully decommissioned BDN, which was this 50-year-old legacy system. It was a big lift. As we went through that implementation, we faced challenges. We worked with VBA to adjust for those and we made some adjustments to the contract as we went through to make sure we delivered.

As Mr. Smith said, through this cycle there has been expansion of scope in terms of new features that were being delivered and were delivered on time. There is also been an expansion of claims that are processed underneath this contract and that this contract is a managed service contract, which is playing for claims outcome, which also goes—accounts for the cost increases.

Mr. HAMADEH. Something seems wrong. If it is on—it is not on time, it is over budget. There seems to be an issue.

With that, I yield back.

Mr. BARRETT. Thank you, Mr. Hamadeh.

I now recognize Ranking Member Pappas for 5 minutes. Go ahead, sir.

Mr. PAPPAS. Thank you, Mr. Chairman. Mr. Smith, I have behind me a slide that VA provided to Congress that shows a timeline of the payment issues last fall. We have placed sticky notes on that that show the times that VA communicated with beneficiaries specifically. As you can see, a lot of Post-its for August, many Post-its for November, and in between we want to get into that area where we saw a lack of communication with veterans.

It is clear that you and VA as a whole understood that there was a significant issue with Chapter 35 payments in early September because you were taking action to speed up the process, like

waiving enrollment verification requirements on the 7th of September, the BDN authoritative data memo on the 17th, and the reconciliation automation requirements being improved on the 23d of September. Yet the only communication from VA to beneficiaries that entire month was the GI Bill newsletter that hit on December—or that was sent out on September 9.

The next communication does not occur until October 29, and even that communication did not address the processing delays. It was not until November 14 that VA chose to publicly acknowledge the payment delays.

In September and October, did you want to communicate with beneficiaries to explain what was happening?

Mr. SMITH. Thank you for the question. Yes, we would have always preferred to communicate, but we were prohibited from doing so because of the Anti-Deficiency Act.

Mr. PAPPAS. You clearly knew something was wrong back in early September, before the shutdown. It took 70 days to communicate with veterans, more than halfway through the fall semester. What prevented you from communicating the issue to the public any earlier? Were you directed not to?

Mr. SMITH. In September, we—as I—as you indicated, we developed requirements to automate and reverse the manual processing requirement. We thought we would have that solution in hand and delivered, and the government shutdown happened and we were unable to deliver that. We thought we would be able to basically remediate the problem and avoid any payment delays.

Mr. PAPPAS. Do you dispute those dates at all? September 9—I am sorry, September 7, when waiving enrollment verification happened through the 17th and the 23d, when other steps were taken by the Department to understand this problem and work to address it? Do you accept those dates?

Mr. SMITH. The decision to waive enrollment verification was not related to the reconciliation process. That was related to the unavailability of a web application called Verify Your Enrollment. Because that was not available, I made the decision to waive verification of enrollment at that time and on that basis. We continued to get more information about the difficulties of processing due to that manual reconciliation requirement. We were prepared to brief Congress when the government shutdown happened and that prevented us—

Mr. PAPPAS. You fully were aware that there was a problem in September and there was not communication that was happening from VA. I do not accept the claim that VA could not communicate during the shutdown. Number one, the White House's own guidance said that employees supporting funded programs like VA education benefits were to be considered exempted employees and working. Second, the Secretary was communicating, he was tweeting during this time. All of that is publicly available and I can put that out with the timestamps if you want to dispute that fact. Third, VA communicated with veterans and beneficiaries during previous shutdowns. The difference was a different leadership that was in place.

I want to know which VA senior leader told you not to communicate with veterans' families and survivors?

Mr. SMITH. As I indicated, we were following the anti-deficiency provisions required of us by the Anti-Deficiency Act. We were only providing information and doing work directly tied to protection of life and property.

Mr. PAPPAS. This caused a lot of issues with veterans, families, beneficiaries. We heard about this directly in our office and they are still, frankly, confused about this and the direction that VA has taken. I think it has broken trust. We have heard from beneficiaries and service organizations about widespread confusion around the implementation of enrollment verification requirements for Chapter 35. I am wondering what is the current requirement and are students receiving their benefits? Can you provide us with an update?

Mr. SMITH. Yes, sir. We did enact verification of enrollment processes for Chapter 35 starting this month. Those communications went out and so far we have had 142,000 responses out of about 170. Just this week, in fact yesterday, we sent notes to help students remember that they have an obligation to verify their enrollment. We let 37,000 individuals know that they needed to verify their enrollment still, but we stand ready to verify it for them this month so that we can ensure that they adapt to that change.

Mr. PAPPAS. Thank you. You said in your testimony our focus is on the veterans. You are not focused on veterans when you are not communicating with veterans. I appreciate the work that goes on in the Department, but I cannot get over this lack of communication. It is inexcusable.

I yield back.

Mr. BARRETT. Thank you, Ranking Member Pappas.

I now recognize Representative King-Hinds from the Northern Mariana Islands. I assume the weather is much better there than it is here today.

Ms. KING-HINDS. It is gorgeous. I wish I was back home. Thank you for that.

Mr. BARRETT. Thank you.

Ms. KING-HINDS. Thank you for the opportunity to have conversation about this issue today because the GI Bill represents access to opportunities for so many of the veterans in the Commonwealth of the Northern Mariana Islands (CNMI).

I was going over your written testimony, Mr. Smith, and, you know, I think there were outright admission, but there were some things that was not immediately addressed. Right? I think from what I read, the requirements were not matured at the time of award. Schedule discipline did not exist. Scope was allowed to grow without governance. The BDN was decommissioned before the replacement was complete. Right? In your testimony, your testimony describes DGIB as exceptionally successful, yet it also acknowledges underestimated complexity, missing systems, and displays functionality.

I just want to know, at what point did the VA acknowledge internally that this program was at risk? At what point was Congress notified? I am new into the conversation.

Mr. SMITH. I would like to ask Mr. Orifici to assist me with that question.

Mr. ORIFICI. Thank you for that question. We have had a number of hearings and testimonies on this since 2018, when we first did the Colmery Act. We have had regular engagements. We also meet monthly with staffers and provide them updates on the status of the Digital GI Bill and other issues surrounding the education service area.

Through this process, there have been a number of times when issues have been raised to staffers, and we have discussed this at numerous hearings around this topic.

Ms. KING-HINDS. Okay. Just for me, because I am new to the conversation, as I stated, the contract more than has doubled in cost. What you are basically saying, it has not doubled in cost. You are adding components to the system itself. Right? Just for clarity's sake.

Mr. SMITH. We have undoubtedly added costs from the initial base contract, but it is due to both complexity of converting and decommissioning legacy products, as well as new scope related to both congressional initiatives as well as court requirements.

Ms. KING-HINDS. Hmm. I guess it is curious to me that the decision-making process, right, at which point do you basically consider pausing the program rather than engaging in renegotiation? I—because that is a significant amount that we are talking about. I mean, we are talking about 479 million. In addition, that could build the CNMI, a whole new hospital system, a whole new police department, and a whole new community college. That is a huge amount of money.

I know that there is an OIG report that was issued with regards to this issue. Has the recommendations been fully addressed?

Mr. SMITH. Yes, we have closed all the IG's recommendations.

Ms. KING-HINDS. Okay. Where are we at in terms of the full implementation of the program itself now?

Mr. SMITH. We have just recently implemented Release 8, which removed us from dependency on the legacy BDN system. We are now working to increase our automation outcomes while also making the veteran facing services better so that veterans can get the information they need and communicate with us through that My Education Benefits program.

Ms. KING-HINDS. At what point can you say that this program has been fully implemented where our veterans are not going to see the disruptions in these services? I was reading through some of the testimonies and, you know, there has been complaints to certain members that folks are getting notices of eviction because they rely on this money to be able to support not just their tuition, but, you know, their cost of living.

Mr. SMITH. Thank you. That is a great question. This is why we continue to press automation. Currently, we are at 65 percent automation. We are looking to further increase that. We have got planned work this year to continue to drive—

Ms. KING-HINDS. I guess, the timeline, Mr. Smith, because it seems that some of these rollouts are happening right when school starts. I am just kind of wondering, right, like, what full implementation looks like and how we ensure that we do not disrupt these benefits from getting to where it needs to go.



Mr. SMITH. Absolutely. We would absolutely prefer to avoid high enrollment. You know, like fall enrollment was not our design. It was not something we wanted to do. We would look to avoid that.

Ms. KING-HINDS. Thank you. I am out of time.

Mr. BARRETT. Thank you.

I now recognize Mrs. Ramirez for 5 minutes. Go ahead.

Ms. RAMIREZ. Thank you. I want to thank the chairs and ranking members for holding today's hearing and the very familiar faces I have just seen recently. Let me start by saying that today's hearing feels a little misdirected. I will tell you why. Asking us to look in one place while something important is happening elsewhere feels misdirected.

My colleagues claim they want to conduct oversight, but we have not even had a Oversight Committee hearing since July 22d. That was 90 degrees, and it is about 20 degrees now. Right? They will not invite the Government Accountability Office, the GAO, or the VA Office of Inspector General, the OIG, who are directly responsible for providing oversight of the VA.

You see, my colleagues want us to believe that the only problem is contracting, but we are not addressing the previously identified patterns of failures stemming from staffing issues, from acquisition governance, and fragmented oversight, and also from a lack of sustained capacity building. Look, I think we should be seeking to learn from and correct systemic failures that harm veterans and that rob them of their benefits, not keep passing around the blame like it is a hot potato of some sort.

As ranking member of the Oversight and Investigation Subcommittee, it is my priority to ensure that the VA is fulfilling its mission to support our veterans and provide them with the benefits that they have earned. I want to get into some of these questions.

First, I will tell you, modernization only really works if the institution itself is ready. There are some really serious questions about whether the VA meets that basic threshold. A January OIG report formally identified systemic staffing vacancies and weak conduct oversight across the VA, even as the Department was pushing forward with the Digital GI Bill, the DGIB we call it, modernization. At the same time, the VA experienced workforce disruptions through Deferred Resignation Program, the DRP, Voluntary Early Retirement Authority, the VERA, attrition, and furlough decisions during the shutdown.

Mr. Smith, hi. Good seeing you again. What concrete steps did the VA take to confirm it had the staffing and the institutional readiness to execute a \$2 billion IT modernization effort without harming the beneficiaries?

Mr. SMITH. Thank you for the question. You know, obviously, staffing was increased. I believe in 2024, we testified that they were adding 15 additional people. We do have 15—those 15 people still on a term assignment. Clearly, we have about 25 people managing the project.

Ms. RAMIREZ. How many?

Mr. SMITH. About 25 people managing the project, but also supported by our IT colleagues and, you know, the acquisitions team.

Ms. RAMIREZ. You think that is enough?

Mr. SMITH. I do, with our contractor support.

Ms. RAMIREZ. You said your contractor support is 15 people that you have added?

Mr. SMITH. Contractors, no. That would include both MITRE, who assists us with acquisitions and planning and project management, but also the assistance from the Accenture team.

Ms. RAMIREZ. Mr. Smith, you are saying that the tangible actions you took is to add some staffing to be able to help with the rollout. Let me keep going.

I want to talk about Strategic Acquisition Management Initiative, SAMI. It was created within the Office of Acquisition, Logistics, and Construction to build acquisition and cost-estimating capacity across the VA itself. We now understand that SAMI has been dissolved during this reorganization.

This question is for you, Mr. Neill. Why was an office created to address a known GAO finding eliminated before its mission was complete?

Mr. NEILL. Thank you for the question, ma'am. I am not familiar with the rationale for eliminating that office, but I can say that—

Ms. RAMIREZ. It does not make sense.

Mr. NEILL. It may make sense if I know the explanation for it, but I think I can take that back and I can get an answer to that question for you.

Ms. RAMIREZ. Yes, I think it is really important, and I do want to make sure. I know there are some questions that I have asked in the past that we are going to follow up with, but this one certainly is one of those.

I want to also make clear the DGIB is not an isolated failure. It reflects systemic acquisition weaknesses. In these last 30 seconds, Mr. O, I am sorry, what roles does oversight investigation now play in ensuring major IT programs have credible cost estimates before acquisition decisions are made? How has this changed after SAMI's dissolution?

Mr. ORIFICI. Thank you for that question. We still work closely with the TAC when we are putting together cost estimates, and the TAC helps us validate to make sure that those estimates are accurate according to industry standards and the expectations around the programs and the acquisitions.

Ms. RAMIREZ. We will follow up. I know my time is up, so, Chairman, I will yield back.

Mr. VAN ORDEN. [Presiding.] The gentlelady yields back.

The chair now recognizes Cherfilus-McCormick for 5 minutes.

Ms. CHERFILUS-McCORMICK. Thank you, Mr. Chairman. Thank you guys so much for being here.

Our oversight, when it comes to IT, is something that has been near and dear because for the last 4 to 5 years, we have been trying to get it right, and it has not been right. That is why we are really hunkering down on how can we make sure that when we are going through acquisitions, that we are actually thinking it through and making sure we are following steps to make sure that we are not going to have systems that are in place forever that we cannot get up and running, that are hurting our veterans having access, and making sure that no one is hurt at the end of the day? Because although we are having this conversation about making

sure all the procedures are here, we know that if we get it wrong, veterans get hurt.

I wanted to talk more about your Digital GI Bill and the oversight that you guys have taken or the steps you have taken to make sure that there are not going to be issues that we have seen before. Have you guys been using the Acquisition Lifestyle Framework when it came to acquiring this contract? That is for anybody who can answer it.

Mr. SMITH. Yes, we did.

Ms. CHERFILUS-McCORMICK. Please tell me more about it. The whole design between the Acquisitions Lifetime Framework is to make sure that there is a system in place. When you applied it to this specific GI Bill platform, what did it change in how you were going to apply it? Did it have any significant improvement to what you were doing?

Mr. SMITH. I would like to ask Mr. Neill to help me with that question. Obviously, the Acquisition Lifecycle Framework is something that is across the entire organization and I think he would be best able to address the details of that.

Ms. CHERFILUS-McCORMICK. Mr. Neill.

Mr. NEILL. Well, thank you for the question. That is something that is in progress. It is being developed currently within OALC. If I could speak generally about what the Acquisition Lifecycle Framework does.

Ms. CHERFILUS-McCORMICK. Before we go into it generally, we wanted to make sure that before the acquisition that this was actually—the framework was applied. Is there a reason why the framework was not applied beforehand?

Mr. NEILL. I would have to go back—thank you for the question first, but I would have to go back and understand not knowing because the TAC actually did not participate in this acquisition. I am not sure how it was coordinated with respect to the acquisition life cycle.

Ms. CHERFILUS-McCORMICK. That is very important because a lot of times we have different frameworks and we realize that they are not working after we apply the next time around. If there is any reason why it was not being applied earlier on, I think we would want to know that to see if there is anything we would want to change.

In the sense of the actual development of the framework, it was to prevent us going into systems, specifically spending a whole bunch of money on different platforms or technology that was not able to become compatible to the VA. Could you tell me more about where you are in steps of the application of this framework?

Mr. SMITH. We are actively developing the system right now. Some of it is obviously into sustainment, but it is very much an active development process right now.

Ms. CHERFILUS-McCORMICK. If you did not use this framework, what framework did you actually use to make sure that there was basic—which created a well-defined milestone and accountability? What framework were you using? I am assuming Mr. Neill is going to take that question since you reached for it.

Mr. NEILL. Thank you for the question. I was actually muting myself, but I do not know the answer. I would like to let, you know, Mr. Smith answer that question.

Mr. SMITH. The General Project Management Framework for acquisition planning, acquisition development. We worked on the requirements. We are in development phase right now, and then we will look to move into full-time sustainment and maintenance for that application.

Ms. CHERFILUS-McCORMICK. Now, is there a reason why you chose that framework? That framework has not had success in the past of helping us avoid putting a whole bunch of money into different programs that did not fit the VA. Is there a reason why you chose that framework instead of using the acquisition framework?

Mr. SMITH. Perhaps I am misunderstanding something, ma'am, but I would certainly be happy to get back to you.

Ms. CHERFILUS-McCORMICK. Okay, thank you. If there is anything else that you wanted to—well, let us get back to Mr. Neill. You said that you want to talk about it in general. Now, if you talk about it in general, can you tell us how you are planning on applying it? You are planning on applying it, correct?

Mr. NEILL. Yes, thank you for the question. We are intending to apply it to, you know, major programs, and it covers a lot of the things that you mentioned where the requirements can be better understood, the estimates related to those requirements can be more thoroughly explored, and it allows greater engagement and consideration of alternatives for these services.

Ms. CHERFILUS-McCORMICK. Do you have any of those quantifiable matrices for the framework that you used before acquiring this platform?

Mr. NEILL. Again, thank you for the question, but I was not a participant in the acquisitions, so I do not know what was utilized.

Mr. SMITH. I am certain that that documentation is maintained in both the files for the contracting officer as well as our contracting officer's representatives.

Ms. CHERFILUS-McCORMICK. We look forward to receiving it. My time is running out, but we would like to see that just to make sure we could compare the two.

Mr. VAN ORDEN. The gentlelady's time has expired.

Ms. CHERFILUS-McCORMICK. Thank you.

Mr. VAN ORDEN. You are welcome. I now recognize myself for 5 minutes.

Ok. What was the original budget for this supposed to be, Mr. Smith?

Mr. SMITH. At 453 million.

Mr. VAN ORDEN. Okay. From the time you said you were told you had \$453 million to develop a Digital GI Bill, how long was it from you got that email to you awarded a contract?

Mr. SMITH. I am not certain what the timeline was on that, sir.

Mr. VAN ORDEN. Okay. I want—I am not asking, I am telling you. You are going to give me that answer because you guys have a 0, zero, percent record of doing this stuff on time. Here is what you did again at the VA: you got a ton of money available to you and you said, oh, my gosh, I got to spend this money, so let us pretend like we did actual mission planning and then crap on the

American taxpayers. That is exactly what happened. You failed to plan again. The American taxpayer and the veterans who earn these benefits are paying the price for your guys basic inability to do mission planning.

You mentioned that you there is legislation and some court cases that made you have to change what you are doing, correct?

Mr. SMITH. That is correct.

Mr. VAN ORDEN. Okay. What was the first one?

Mr. SMITH. The Isakson-Row Act.

Mr. VAN ORDEN. Okay. What was the goal prior to that passing?

Mr. SMITH. The goal for the DGIB managed service contract is to deliver claims faster to veterans.

Mr. VAN ORDEN. Okay. Then so you changed that after this act?

Mr. SMITH. We had—

Mr. VAN ORDEN. Was the goal the same?

Mr. SMITH. We had to change how we paid the monthly housing allowance.

Mr. VAN ORDEN. Okay. Then that came into play and you are like, oh, okay, we better think of a new thing that we have to do or a new goal. What was the goal following the Isakson's legislation?

Mr. SMITH. It has always been to replace the benefit—

Mr. VAN ORDEN. What was the next piece of legislation or court action that made you change?

Mr. SMITH. We implemented the Veteran Employment Through Technology Education Courses (VET TEC) 1 capability.

Mr. VAN ORDEN. I think you see what I am—so I do not believe that you actually had any type of metric of success. I do not think that you did. Then you are pawning this off on Congress and the courts because you again failed to do mission planning and set attainable, quantifiable goals for this program. This has happened again and again and again.

What is the goal right now? Can you put it on a piece of paper other than it is we are going to speedy service?

Mr. SMITH. Again, we are working to deliver claims in 1 day.

Mr. VAN ORDEN. I am working to get my hair back, and neither one of this is turning out properly, Okay? That is unacceptable.

Now, listen, do you know what this is?

Mr. SMITH. I cannot read that from here, sir.

Mr. VAN ORDEN. This is the current Veterans Health Administration (VHA) organization chart. You have a little bit in all of these little things. You are all over the place. You are contracting officers, all sorts. All through here, all these little noes.

Now, these guys are moving this to this. See that? Can everybody see the difference between the two? Okay. Where is your line and block chart?

Mr. SMITH. Sir, I believe we sent that over to your office.

Mr. VAN ORDEN. I believe I do not have it. No, we need theirs. Yes. No, we do not have it. I want to see this because everybody here, you know, hey, Bob, I got six bosses. You guys got six bosses. We need one boss or maybe two at the most. You are never, ever going to get this right until you actually have a clean line, until you have a line and block chart where everybody knows exactly what they are doing and when they are supposed to do it and who

they report to and who can be held accountable by who. I mean, this is a fundamental issue that we have.

Mr. Tellez, who is responsible for not including the Office of Acquisition, Logistics, and Construction into the original contract negotiation? Who?

Mr. TELLEZ. Thank you for your question, sir. I was not—I am not—as my role as executive director for the Office of Business Integration, I have a small role in the Digital GI Bill. I provide support to them.

Mr. VAN ORDEN. Does anybody know the answer to this question? Who is responsible for not including the Office of Acquisition, Logistics, and Construction into the original contract?

Mr. SMITH. Sir, the Office of Acquisitions was involved in that we leveraged their contract vehicle, the Transformation Twenty-One Total Technology-Next Generation (T4NG) contract. VBA's acquisitions team actually managed the task order.

Mr. VAN ORDEN. Who put together the team? Who invited people to the table?

Mr. SMITH. The team would have been led by the Education Service director.

Mr. VAN ORDEN. That is not leading. I ask you, who put the actual team together?

Okay. My time has expired and out of respect for my colleagues here, you are dismissed, this panel, please. If you want to stick around, it would be awesome. Then let us have the second panel come up. We will readjourn in 7 minutes.

[Recess.]

Mr. VAN ORDEN. The committee will come to order.

On our second panel, we are going to be hearing from the following witnesses. Our first witness is Mr. Justin Parke, managing director, Digital GI Bill program manager, Accenture Federal Services. Our next witness is Mr. Troy Mueller, managing director, Integrated Benefits Operations and Technology Division at MITRE. Our final witness is Mr. William Hubbard, vice president for Veterans and Military Policy, Veterans Education Success.

Please, all rise and raise your right hand.

[Witnesses sworn.]

Mr. VAN ORDEN. Very well. Let the record reflect that the witnesses have answered in the affirmative.

Mr. Parke, you are now recognized for 5 minutes to deliver your testimony on behalf of Accenture Federal Services.

#### **STATEMENT OF JUSTIN PARKE**

Mr. PARKE. Chairman Barrett, Mr. Van Orden, Ranking Members Budzinski and Pappas, distinguished members of both subcommittees, thank you for inviting me to testify at today's hearing. I am Justin Parke, Managing Director at Accenture Federal Services, and a member of the Accenture Federal Leadership Team. I am also the program manager of our Digital GI Bill engagement, leading the implementation and operations of Accenture Federal DGIB Systems. I am honored to serve veterans and their families in my role on this important program.

Accenture's work with VA education began in 2019, when VA decided to reset after a failed Colmery implementation attempt with

a different vendor. This reset included the release of a competitive outcome-based Request for Proposal (RFP) that Accenture won. In partnership with VA, we delivered Colmery on time and on budget.

After this, VA released another full and open competitive RFP for the Digital GI Bill implementation and operations. Accenture won this competition and, since March 2021, we have supported VA's efforts to make it faster, and easier for veterans to access and reliably receive life-changing education benefits.

We have achieved the main objectives of this contract: to process claims uninterrupted and to develop new capabilities based on requirements defined by VA while enabling the retirement of VA legacy systems. For example, DGIB has retired VA's nearly 50-year-old BDN mainframe, which has improved VA's operational resilience, and for the first time in GI Bill's 80-year history, has enabled fully automated claims processing for originals and new chapters.

Through our DGIB automation efforts with VA, this January more than 64 percent of all education claims were processed automatically same day, with the vast majority of these in seconds with no veteran claim examiner effort. Chapter 35 is now running at 69 percent same-day automated claims processing, radically improving VA's posture for spring enrollment. Since March 2021, DGIB has processed over 16 million claims, delivering more than \$43 billion in veteran benefits to 2.3 million unique beneficiaries.

There have been challenges to overcome. As previously detailed by the OIG, additional requirements, like new legislative mandates, new judicial interpretations, and additional systems integrations, expanded the scope from the original contract, and non-DGIB dependencies delayed the BDN retirement. During this BDN delay, VA reprioritized several other efforts including VET TEC 1.0 and My Education Benefits, and we delivered those capabilities ahead of schedule, ensuring that new advancements were still delivered to veterans despite the BDN retirement delay. Most recently, the DGIB system was instrumental in automating one-time BDN claim reconciliation to address the fall Veterans Claims Examiner (VCE) Manual Chapter 35 backlog.

The DGIB program's Life Cycle Cost Estimate details the baseline costs expected for the overall VA program across multiple contracts with multiple vendors and other VA expenses. A smaller portion of this estimate is for the managed service vendor costs, that is Accenture contract costs. The total Accenture contract ceiling is currently 1.08 billion inclusive of increased scope. Accenture contract cost is squarely within the baseline cost range for the scope and schedule ultimately required.

Moreover, DGIB results in significant cost avoidance, including an estimated 250 million for the BDN retirement, 400 million for other VA legacy systems, and 400 million from the reduced need for claims processing staff over 10 years. Without DGIB, VA would need to spend more on claims processing staff to keep up with the increased claim volume. All of these savings compound year over year and in total far exceed the 1 billion in managed service contract ceiling. As one of VA's most successful IT transformations, DGIB has overcome challenges and delivered on its commitments.

Some conclusions to consider. One, VA can achieve ambitious transformation even when previous attempts over past decades have failed. Two, baseline Life Cycle Cost Estimates should include known unknowns, like future legal mandates and other future fact-of-life changes that do not exist at program inception. Three, procurement organizations can tackle big business needs with veteran outcome focused based contracts, like DGIB. With the right procurement strategy, VA leadership can drive critical mission objectives.

[THE PREPARED STATEMENT OF JUSTIN PARKE APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. The gentleman's time is expired.

Mr. PARKE. Thank you.

Mr. VAN ORDEN. Mr. Parke, you are recognized for 5 minutes—oh, excuse me. Should probably put these on. Mr. Mueller, you are recognized for 5 minutes to deliver your testimony.

Mr. Parke, your testimony will be entered into the written record.

Mr. PARKE. Thank you.

#### **STATEMENT OF TROY MUELLER**

Mr. MUELLER. Chairman Barrett, Chairman Van Orden, Ranking Members Budzinski and Pappas, and other members of the subcommittees, thank you for the opportunity to testify before you today on matters relating to the VA's Digital GI Bill program. Successful modernization of legacy it is critical to improving the veteran experience. MITRE very much appreciates the opportunity to testify today.

MITRE is a not-for-profit systems engineering, applied research, and advanced technology organization that operates federally funded research and development centers for multiple Federal agencies, including the Department of Veterans Affairs. Currently, I am the managing director responsible for our support to modernization of benefits and service delivery across all VBA lines of business, the VA's Office of Information and Technology, and the Social Security Administration. MITRE's role is focused on providing strategic advice, guidance, and assistance in the areas of systems engineering, program integration, and organizational change.

Our work included completing the annual update of the Life Cycle Cost Estimate for the DGIB program from 2021 with Version 1 through 2025 Version 5.0, which was delivered in April 2025. The LCCE calculates the total cost of the government for acquiring and owning a system throughout its lifetime, far beyond any specific contract, and is updated annually per the GAO recommendations and their guidance to reflect changes in technical, economic, and programmatic assumptions and fact-of-life changes, such as new legislation and court decisions impacting the agency, veterans, servicemembers, and beneficiaries. It supports financial decision-making and informs future budgetary needs.

As of April 2025, with updated Version 5.0, the program has an estimated total cost of 2.3 billion in base year Fiscal Year 2021 constant dollars over a 10-year period, rising to approximately 2.6 billion when adjusted for inflation or then-year dollars. The program is large and complex and, accordingly, has inevitably encountered



challenges, unanticipated complexities, the realization of risk. Over the past 5 years it has also had many accomplishments, delivering eight successful releases, migration of all benefits to the—chapters to the platform, and retiring of the BDN 1970's mainframe system, and additional automation capabilities that result in dramatically faster claims processing.

Recognizing that there will always be challenges, complexity, and risk, I have two recommendations to share with you today. First, a dedicated enterprise-level cost estimating capability at VA would give Congress and VA leadership consistent, independent, and defensible Life Cycle Cost Estimates that strengthen budget information, formulation, and major investment decisions. By validating program office estimates, establishing authoritative cost baselines, and providing transparent affordability analysis, the organization would reduce cost and schedule risk while improving oversight readiness and ensuring resources are aligned to outcomes that matter for veterans.

Second, the cost estimating capability should be paired with a streamlined early acquisition model that accelerates delivery of capability while generating the structured data needed for credible cost estimation. Rapid operational need definition, minimum viable requirements, early risk scans, and lightweight architecture work would shorten pre-award timelines and produce clear inputs, such as preliminary requirements, solution concepts, and early cost drivers that feed the enterprise cost estimating organization capability. Together, these reforms enable VA to deliver modern capabilities faster while grounding every major investment in transparent data-driven analysis.

In closing, let me just note that MITRE's roughly 6,500 personnel, over 1,100 are veterans, including myself. Few duties feel more noble to our employees in honoring the service and sacrifice of our Nation's men and women in uniform through the support that we provide to the VA. On behalf of the entire MITRE team, I greatly appreciate the opportunity to come before you today and look forward to your questions.

[THE PREPARED STATEMENT OF TROY MUELLER APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. Thank you, Mr. Mueller. The written statement of Mr. Mueller will be entered into the hearing.

Mr. Hubbard, you are now recognized for 5 minutes.

#### **STATEMENT OF WILLIAM HUBBARD**

Mr. HUBBARD. Chairmen Van Orden and Barrett, Ranking Members Budzinski and Pappas, and members of the subcommittee, thank you for the opportunity to testify today on behalf of Veterans Education success and thank you for your continued oversight of VA on issues that directly affect veterans' survivors and their families.

It is our organization's mission to advance higher education success for veterans, servicemembers, and military families, and to protect the integrity and the promise of the GI Bill and other Federal education programs. It is with this perspective that we approach today's hearing with focuses on the Digital GI Bill contracts and payment disruptions.

Modernization at VA is necessary. Nobody disputes that. Modernization that fails to deliver benefits on time is not progress, it is disruption. The people who pay the price are students who plan their lives around the benefits that they were told they could rely on. The Digital GI Bill was intended to replace aging systems with a more efficient, unified platform. Instead, it has joined a long list of technology rollouts that VA launched without proper safeguards or contingency planning, and the result was all too predictable.

Recently, housing payments were delayed or reduced without warning, leaving thousands of students scrambling to cover rent, food, and basic expenses. This pattern has plagued VA's technology transformations since the beginning of the post 9-11 GI Bill, when tens of thousands of veterans went months without payments. Then, during the Forever GI Bill rollout in 2018, nearly 180,000 students experienced delays to their housing payments. In 2023, another modernization effort resulted in more than 280,000 students receiving late payments, and VA resorted to mailing paper checks to process some of those.

As you can plainly see, last fall's failures were not an anomaly. One student told us that her benefits were missing for nearly 3 months, her car was repossessed, and she was facing eviction while attending school out of State with no family support nearby. Another student received less than \$900 for the month, barely enough to cover rent, leaving him with almost nothing for food and transportation. These are real consequences of leadership decisions.

Adding to the stress of missed payments was the noticeably loud silence from VA. VA was aware of the possibility of these issues before students felt the impact, yet there was no proactive warning and no reliable channel for students to get answers. During the government shutdown, the GI Bill hotline was classified as non-essential, leaving students unable to ask for help.

It is also important to note the timing of these major technology updates, which were inexplicably scheduled to start at the beginning of the academic term, when even short disruptions can quickly snowball into housing issues or enrollment challenges. We implore VA to stop doing significant technology deployments at the beginning of major academic periods.

Based on what we have heard from veterans, their families, and survivors, we offer the following practical solutions to mitigate these issues moving forward. First, education benefits delivery must be treated as an essential function. Second, VA should be required to conduct rigorous testing and independent certification before any update goes live. Third, when VA identifies a risk to on-time payments, it should be required to notify students, schools, and Congress in plain language. Fourth, major system changes should not be scheduled during critical academic windows. Fifth and finally, we encourage Congress to mandate transparent performance metrics that reflect the veteran experience, not VA's internal processes.

Student veterans and survivors do not view these benefits as optional. They plan their lives around them. When payments fail, trust in the system erodes. Once lost, that trust is difficult to restore.

Thank you for your attention to these issues and your continued oversight. I look forward to your questions.

[THE PREPARED STATEMENT OF WILLIAM HUBBARD APPEARS IN THE APPENDIX]

Mr. VAN ORDEN. Thank you, Mr. Hubbard. The written statement of Mr. Hubbard will be entered into the hearing record.

Now we are going to proceed to questionings. The chair now recognizes Ranking Member Budzinski for 3 minutes.

Ms. BUDZINSKI. Thank you, Mr. Chairman.

Mr. Mueller, thank you for joining us today. I appreciate your recommendation that VA should work to strengthen its internal enterprise level cost estimating capability. However, with VA losing at least 405 contract specialists in Fiscal Year 2026 so far, I worry the VA does not have the skills in-house right now to perform these estimates accurately and reliably. What are the dangers of not having enough highly trained staff to perform these estimates?

Mr. MUELLER. The need for qualified staff, which are not contracting officers for this, these are true professional cost estimators, that is a critical need. I think, that it would have to be planned and resourced for in order to actually bring those in. I cannot speak to what capability exists there today. I do not directly support that particular part of the VA organization.

Ms. BUDZINSKI. Okay. Let me move to Mr. Hubbard. Mr. Hubbard, we heard at our hearing in December the VA has not held a monthly stakeholder call for the DGIB program since December 2024. Is that accurate?

Mr. HUBBARD. That is correct.

Ms. BUDZINSKI. What concerns do you have regarding the lack of engagement from the VA with veteran stakeholders as it continues to modernize the DGIB program?

Mr. HUBBARD. Thank you for the question. We have significant concerns about that. The lack of communication in general is—only exacerbates any issue that comes up. As an example, this past fall, when we saw these payment delays with Chapter 35 and others, if there was an exchange of information, organizations that support veterans could have anticipated that, planned accordingly, worked with schools even to make sure that these students were not, for example, facing eviction. Unfortunately, there was no exchange. This year to date, there have been zero of these calls.

Ms. BUDZINSKI. Okay. Let me try to fit in one more quick question. Mr. Hubbard, your testimony also highlights numerous times that the burden to work around VA contracting and IT failures has fallen on veterans and beneficiaries. This is simply unacceptable. As I mentioned in my opening, these seemingly small errors often result in large losses and degraded veteran trust. Can you share more about the impact of these delays on your membership and how we as Congress can better support veterans and their family members who receive these benefits?

Mr. HUBBARD. Thank you for the question. Historically, there is a lack of trust when it comes to veterans coming to VA for, for example, their mental health needs. Imagine if you are a student who does not even get your payment on time when VA's got your Social, they have got your home address, your phone number, your blood

type, probably your favorite color, and yet they cannot even deliver the benefits that you deserve and earned.

Mr. VAN ORDEN. The gentlemen's time has expired.

The chair now recognizes Representative King-Hinds for 3 minutes.

Ms. KING-HINDS. My question is to Mr. Mueller. You made a couple of recommendations, one of which is the creation of a sufficiently resource enterprise-level cost-estimating capability, and, second, the development of a streamlined early acquisition model. For the vets who are listening in, who do not speak your language, can you please explain that in layman's terms?

Mr. MUELLER. Sure. When you stand up—before you stand up a program, there is a certain amount of analytical activity that should happen prior to that. That is where you understand your mission need, you start to understand your requirements, and look at your options of how do you fulfill this need. Part of that is you want to obviously determine what is going to be the cost to do this, an initial understanding of that cost estimate. You need this analytical activity paired with the capability to complete those estimates.

Just to go back to that analytical activity, that would be made up of users that use the system, be it your contracting people, your contracting professionals, the business leaders that are responsible for operating it, the IT organization. All these different skill sets come together to help bring this program to life in an informed way, so decision-makers can make an informed decision and have an idea of what the cost is going to be. All of this contributes to a better contract, a better acquisition activity as well.

In the most layman's terms I can put it is you are bringing people that understand the ingredients to bring to a great meal so you can have a good meal.

Ms. KING-HINDS. I asked that question, right, because we are talking about how do we look at contract reforms and acquisitions reform. I think I was reading Mr. Parke's testimony and he suggests that baseline estimates should include known and unknowns. Right? In this process, right, to include future legal mandates, because the VA has pointed out that there are different components that needs to be tinkered with given all these lawsuits, and that has to be all accounted for. Where does that fit in with regards to just the contracting process and who should bear that risk? Some of this cost inflation is directly attributed to that.

Mr. MUELLER. Sure. The early analytical activity will give you what the requirements are known in that moment and what is the objective for that system. Where this issue—where what Mr. Parke brought up comes into play, the known unknowns is actually in a cost estimate—you develop an LCCE. I want to be clear about an LCCE, not an independent government cost estimate for a contract. For the bigger program LCCE, you account for that in the range and sensitivity analysis. However, you can only account for so much. There are just some of those unknowns you are not going to know.

It comes down to how much do you budget for if you think about the range? If we say that we have a confidence level of \$1 value and we have a range, do you have to budget more on the other

side? Normally, GAO says budget at the 50 percent confidence level to account for some of that, but you are still going to have things come up along the way, especially when you are thinking—

Mr. VAN ORDEN. The gentlelady's time has expired.

The chair now recognizes Ranking Member Pappas for 3 minutes.

Mr. PAPPAS. Thank you, Mr. Chairman.

Mr. Parke, did Accenture provide DGIB Release 8 on time and on budget?

Mr. PARKE. Thank you for the question. The original deadline for BDN retirement, which is equivalent to Release 8, was September 2022. We delivered it in August 2025 for the reasons that I think you have heard in a number of testimonies.

Mr. PAPPAS. How quickly did Accenture respond to VA's requests for assistance in automating the data reconciliation last September?

Mr. PARKE. If we are talking about September 2025?

Mr. PAPPAS. That is right.

Mr. PARKE. As soon as VA was aware that there was an issue in the amount of time it was taking to manually reconcile or validate BDN data coming into Chapter 35, we were, with the VA, taking new requirements for automation. We were able to then build that and have it ready for deployment in October. Of course, there were some mitigating circumstances that prevented folks from validating that it was working as expected.

Mr. PAPPAS. It could not go live right away because some of the employees VA needed were furloughed. Do you know how long the release was delayed while VA waited to get those employees back in the office?

Mr. PARKE. The eventual deployment of that improvement to automate was November 14th, as I recall, 2 days after, you know, November 12th.

Mr. PAPPAS. When did you or Accenture writ large become aware of the backlog issues with Chapter 35 beneficiaries?

Mr. PARKE. I do not know the exact day, but essentially as soon as VA was aware, they came and notified us that we would need to be ready to address it with some form of automation. That was the best idea we had. As you can see, it worked.

Mr. PAPPAS. Mr. Hubbard, in previous hearings, I have shared some of the stories that our office has received from impacted Chapter 35 beneficiaries from payments being delayed. I appreciate you giving voice to that as well. I know you ran out of time on a previous answer. I did not know if you want to add anything else just to the impacts on veterans' families and survivors and the stresses that some of these issues at VA cause them. I appreciate you talking about prioritizing the veteran experience.

Mr. HUBBARD. Yes, thank you for the question, Mr. Ranking Member. The reality is when VA asks you to come to them for mental health, but they cannot even—which is a big thing for your well being, your existence, and they cannot even get the small things right, like getting your payment on time that you have already earned and already deserve, how do you expect veterans to have that trust in the institution? That is a real loss for America and, frankly, it is a disservice to taxpayers as well.

Mr. PAPPAS. Thank you very much for those comments. I yield back.

Mr. VAN ORDEN. The gentleman yields.

The chair now recognizes Mrs. Ramirez for 3 minutes.

Ms. RAMIREZ. Thank you, Chairman.

We know that the VA is still struggling to meet expectations on delivery of the Digital GI Bill we talked about in the previous panel. I want to look at the facts a little closer. Despite millions of dollars and ample opportunities for the Digital GI Bill to be implemented smoothly and efficiently, a backlog remains and rollout continues to be a problem. It is especially concerning because we know that many veterans rely on these GI Bill benefits to remain housed and to access these basic necessities. We know this clear, any delay in receiving these funds could prove to be dire.

You know, I find it unacceptable that the public and Congress do not have better insights into why the Digital GI Bill program continues to face challenges. It is also unconscionable that in the face of those challenges, veterans' families and survivors were left in the dark facing financial instability. Look, I know that setbacks happen, failures are learning opportunities, but continuing to allow this program to falter when veterans rely on it for stability is not an option.

I want to talk a little bit about contractor oversight, since we have talked about it here quite a bit. The key to addressing the challenges that DGIB is facing is by listening to the perspectives of all those involved in its modernization and integration.

This question is for you, Mr. Parke. Did Accenture flag risks related to release timing, testing capacity, or manual reconciliation to the VA? If so, how did the VA respond to you?

Mr. PARKE. Thank you for the question. Certainly, we collaborate with VA to identify risks and issues. These types of risks and issues were flagged. I think, you know, as an overall institution, VA is balancing many different priorities and, in some cases, certainty as to whether a risk will be realized is not clear.

You know, as you heard, we did go live in August. It was August 4, 2025. The assessment at the time was that that was early enough.

Ms. RAMIREZ. Is your assessment that the VA responded as best as it could to the red flags that you flagged?

Mr. PARKE. Based on the information they had, I think they made a reasonable decision. Obviously, with 20-20 hindsight, you know, more time would have been helpful. That would have pushed the go-live a whole year based on what we were hearing from finance.

Ms. RAMIREZ. Got it. Let me ask you one last question, I have 35 seconds left. Do you believe the process in which you communicate the issues you find with the VA is working as it should, given the hindsight? In considering how to advance acquisition reform, what are the specific areas that you offer that have the greatest potential for improvement?

Mr. PARKE. I would say that the process had issues in the past. It has improved. There has been, you know, new engagement with new leadership, Ken Smith. As you heard, Mr. Ken Smith came in recently. I think this has drastically improved some of that.

As it relates to acquisition——

Mr. VAN ORDEN. The gentlelady's time has expired.

The chair—I now recognize myself for 3 minutes.

Mr. Parke, what is the average amount of time where a veteran was not paid?

Mr. PARKE. In general, I think the last statistic we have is it is an average of 5.6 days to complete each claim. I do not have more information than that.

Mr. VAN ORDEN. Hold on one sec. We are going to do some quick enlisted math up here.

Mr. PARKE. Okay.

Mr. VAN ORDEN. This is going to be really exciting. No pressure. How much does the VA spend on education benefits a month?

Mr. PARKE. I think it averages to about \$1.0 billion.

Mr. VAN ORDEN. 1.2 billion?

Mr. PARKE. In terms of benefits to veterans.

Mr. VAN ORDEN. Okay. 1.2 billion divided by 30 is what?

Mr. PARKE. I would have to get a calculator and make sure I do it right in terms of public math.

Mr. VAN ORDEN. Okay. Check me out. If the average amount of time is 5 days where vets are not getting paid, and I understand what Mr. Hubbard was saying, there has been catastrophic things, but so why cannot the VA have moneys set aside for when inevitably you guys screw this up again? It is going to happen. Why cannot there be money here to pay to our veterans so they do not have to wring their hands? Again, the VA has a 0 percent record of getting something done like this on time and on budget.

Mr. PARKE. Is the suggestion that there might be some contingency money set aside that could be used?

Mr. VAN ORDEN. Yes, that is exactly what I am saying. Then I do not care if it goes, you know, electronically. Mail them a check because, hopefully, by the time the check gets there, the system is back online again. If that is—we were just talking, Ranking Member Budzinski and I, you know, if we need to, we can legislate that, because, I mean, this is just dumb. We keep doing it again. Again, what, 2 days ago it was Groundhog Day. We keep doing the same thing over and over again, expecting a different result. That is the definition of insanity. I want you from your side to look at that and from our side we will look at that.

I do have to say that there is a potential for success, however small it is. We have seen on the VHA side a 57 percent reduction in the claims under Secretary Collins' leadership. That is in a year. Within 1 year, there is almost a single 60 percent reduction in claims. These things are attainable, but you need to have the right people working.

One of the things, just take this for what it is, who the hell has been held accountable for any of this? Who has lost a job? Who lost a contract? The first guys? What about you guys? You know what I mean? The cost overruns, I think, are exponentially greater under your purview than it was under the first guys that got fired. I mean, if a civilian company ran this like you guys have been running this, they would be out of business. Maybe some people need to get out of business in this business.

My time has expired. I want to thank you all for coming, being here today. Ms. Budzinski has waved her closing comments, and which I thank you very much for coming, everybody.

We can agree that there is an absolute accountability problem. Until people start, you know, worrying about whether or not they are going to have a paycheck, our veterans are going to have to worry about whether or not they have a paycheck. I will remind you, and I am echoing the comments of our current Secretary, Mr. Collins, it ain't about you. It is about the veteran. That every time you put the bureaucracy above the veteran, which has happened consistently since I have been in Congress for 25 minutes, it is unacceptable. We are going to do everything we can to help the Secretary root out this bureaucratic inertia so that our vets get what they deserve.

With that, this hearing is closed.

[Whereupon, at 3:40 p.m., the subcommittees were adjourned.]



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# **A P P E N D I X**

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## PREPARED STATEMENT OF WITNESSES

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### Prepared Statement of Kenneth Smith

Good morning, Chairmen Barrett and Van Orden, Ranking Members Budzinski and Pappas, and distinguished members of the Subcommittees. I appreciate the opportunity to testify today on the Digital GI Bill's (DGIB) program management and contracts. Joining me today is Mr. Robert Orifici, Executive Director for Benefits and Memorial Service, Office of Information Technology, Mr. Jeffrey Neill, Associate Executive Director Office of Acquisition, Logistics, and Construction, and Mr. Ray Tellez, Executive Director, Office of Business Integration.

VA's efforts to implement transformational changes through the DGIB platform have enabled the Department to deliver benefits faster, enhance customer service, and strengthen compliance and oversight activities. Our top goals include delivering the highest standards of world-class customer service; improving oversight and accountability; expanding opportunities for Service members, Veterans and eligible family members to pursue their academic and career goals; enhancing the Nation's economic vitality with innovative programs; and enriching lives by giving beneficiaries the tools and resources they need to further their education and achieve their career aspirations. VA has made tremendous advancements toward streamlining and automating systems and processes to increase efficiency and drive outcomes for Veterans and their families and will continue to strive to reach the highest level of excellence for our Nation's Veterans.

The DGIB modernization initiative was envisioned as a fully integrated solution to restructure both claims processing for all education benefits programs and enhance customer service for beneficiaries and external partners by providing direct, online, one-stop access to GI Bill benefits and information. To date, the program has been exceptionally successful in meeting mission milestones to maximize performance through an updated processing platform that has delivered end-to-end automation for millions of education benefits claims. The success of this initiative has addressed many high risks to Veterans and survivors who depend on these benefits. Additionally, the initiative has exceeded our initial goals by delivering functionality to replace and decommission the near half-a-century-old Benefits Delivery Network (BDN) along with many other unplanned functionality changes necessary due to both congressional action (new laws passed) and court mandates (precedent opinions with monumental impact on claims adjudications).

### Historical Program Management

On September 26, 2024, VA testified before the House Committee on Veterans' Affairs' Subcommittee on Economic Opportunity to discuss DGIB progress at that time. VA's Office of Inspector General (OIG) also presented testimony to outline its audit of the DGIB program dated August 28, 2024. I am pleased to report that VA has satisfied all of OIG's recommendations. VA acknowledged that the original 2020–2021 contract underestimated the complexity of the work, which included transitioning from legacy systems created in an obsolete programming language known as the Common Business-Oriented Language (COBOL). The program experienced delays related to integration requirements with external systems that did not deliver on schedule and the need for additional VA testing environments that were not delivered, which forced prolonged testing cycles. The reasons for these delays were prioritization and lack of an integrated approach to governance, which have been solved through close communication with external systems and a strengthened, VA-level enterprise governance structure.

In written testimony, VA acknowledged increased contract costs at that time, driven by increased scope, which led to a full review and restructuring of the contract at the end of Fiscal Year (FY) 2023. Costs increased due to the integration and testing challenges outlined earlier. They also increased because VA received more claims from Veterans than anticipated.

Since initial implementation of the DGIB project, the MITRE Corporation has assisted VA with acquisition planning and program support. To ensure full, multi-year

understanding of cost and the strategic impact of both delay and exogenous factors such as higher claim volumes, MITRE prepared a Life Cycle Cost Estimate (LCCE). An LCCE is a best practice described in the Government Accountability Office's (GAO) Cost Estimating and Assessment Guide (GAO-20-195G). Separate from the program budget, which tracks planned versus actual expenses in the budget execution cycle, the LCCE helps forecast all program costs over a longer period.

Covering actuals and projections for the period 2021–2030, the LCCE enabled VBA's Education Service to consider tradeoff decisions, such as new claims processor functionality versus greater automation, and the impact of Fact of Life changes, including new legislation and court mandates. Examples of these changes include Coronavirus disease provisions in P.L. 116–128, 116–140, 116–159, and 116–315, which forced VA to deprioritize planned development for basic claims processing functionality. Additionally, the program had to adjust implementation plans to account for the numerous provisions of the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 (P.L. 116–315). Additional costs were added to the contract to support legacy data migration from BDN to the new system and an analytical data warehouse to support workload and program management needs.

Unsurprisingly, claims processing labor is a significant driver of LCCE cost. VA's claims processing environment has historically rested on human labor to process millions of claims for Veterans and survivors. Since the 2021 baseline through 2025, VA processed 37 percent more claims, at a significant savings, when compared to the cost of employing new staff. As of December 2025, VA is automating and delivering 65 percent of all claims without any human interaction, reducing costs and improving service delivery. 53 percent of the LCCE 10-year cost estimate is VA human labor to complete claims, which does not account for recent improvements in automation.

To support the ultimate goal of automation as well as reduce risk of catastrophic failure of the 50-year-old BDN system, VA decommissioned the decades-old legacy system, in September 2025. The decommissioning involved coordinated development in VA's new payment delivery tool as well as replacement for the BDN claims processing functionality. The decision to decommission BDN on this timeline required VA to re-prioritize functional and automation improvements. It cannot be understated just how significant the retirement of the BDN mainframe was. The prioritization of the BDN Retirement was a strategic move not just to reduce the risk to the enterprise in security compliance and cost savings but also as a critical enabler to future functionality. For example, any systemic changes to implement Dole and Rudisill-compliant features were not technically feasible in the previous BDN mainframe ecosystem.

In 2024, the U.S. Supreme Court issued its decision in *Rudisill v. McDonough*, which expanded eligibility for GI Bill benefits and necessitated rework on significant processes already encoded in DGIB with the intent to automate adjudications. In April 2025, the U.S. Court of Appeals for Veterans Claims in *Perkins v. Collins* further expanded eligibility for GI Bill benefits, which required rework of previously decided claims and further reprioritization of functionality for DGIB claims processing. Additionally, Congress enacted the Senator Elizabeth Dole 21st Century Veterans Healthcare and Benefits Improvement Act (P.L. 118–210) (Dole Act) in January 2025, which contained 15 separate provisions that impacted education benefits and rules concerning adjudications.

### Recent Actions and Future

VA has taken further steps to improve program management. VA recognizes the high likelihood of new scope due to changes in law and court decisions. To implement these new requirements without protracted contract negotiations, VA implemented two modifications in 2025. First, VA moved from a waterfall-schedule-driven process to a scope-driven priority process called Agile software methodology. This will allow VA to quickly reprioritize to address new requirements, but it does not change the basic project management principle known as the Golden Triangle—there can be no change to scope, cost, or schedule independently. If any one item is changed, at least one other element must also change. Second, since VA has consistently processed more claims than originally forecasted, additional funding was needed annually for its claims processing contract on T4NG during the year of execution—a fact reflected in the LCCE, which projected a decrease of only 38 claims examiners. VA shifted this task order to a fixed rate, representing the fact that additional claims processed each year through improvements to automation generally should not increase costs to the vendor. VA has reduced claims processing staff through attrition without replacement, illustrating the high benefit of automation while simultaneously improving service delivery.

While VA has successfully implemented most Dole Act provisions, we are still working to implement sections 208, 210, and 212 (VET TEC 2.0). VA has committed to VET TEC 2.0 (section 212) implementation in the third quarter of Fiscal Year 2026, but as described earlier, this has necessitated an offset to the scope of planned improvements this year. For example, VA has yet to develop functionality to automate *Rudisill* (and now *Perkins*) cases to replace the aging workload management system (The Image Management System or TIMS) for improved functionality for field managers and claims processors or to replace the legacy school approval system (Web-Enabled Approval Management System or WEAMS), which would integrate data on school approvals for quicker school approvals and fraud detection. Prioritization of these requirements always entails a cost-benefit analysis of priorities and agile adjustments based on the dynamic world of law, policies, and the limits of time-scope-and-funding. Nonetheless, the DGIB initiative has successfully implemented eight major releases and hundreds of minor releases.

Our focus has always been on the Veteran: delivering benefits easier and faster to the Veteran through simplified application interfaces and increased automation. Our aspirational, strategic goal is an automated, 1-day decision for 90 percent of claims received. While this was once a “pie-in-the-sky” goal, we are well on our way to achieving it: as of January 15, 2026, 69 percent of Chapter 35 supplemental claims are fully automated. Just 4 months prior, no Chapter 35 claims were automated. VA has now automated 58 percent of all claims for Chapter 33 originals and supplementals, Chapter 35 supplementals, and Chapter 30 supplementals for a grand total of more than 1,000,000 claims year to date.

Finally, our performance reflects a return on investment from the perspective of the student Veterans we serve. As of January 22, 2026, the average days to complete education claims are 5.6 days. While this average is similar to prior years, VA has been able to achieve this outcome with fewer staff and increasing automation to deliver 43 percent more within 1 day. All of this was done while maintaining high accuracy—for claims completed in November, automation accuracy was 97 percent, which is comparable to claims processors at 98 percent.

### Conclusion

Chairmen Barrett and Van Orden and Ranking Members Budzinski and Pappas, this concludes my statement. We appreciate the opportunity to speak before you today and welcome any questions you or other Members of the Subcommittees may have.

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### Prepared Statement of Justin Parke

Chairmen Barrett and Van Orden, Ranking Members Budzinski and Pappas, and distinguished members of both Subcommittees, thank you for inviting me to testify at today's hearing. I am Justin Parke, a Managing Director at Accenture Federal Services and a member of the Accenture Federal Leadership team. I am also the Program Manager of our Digital GI Bill engagement, leading the implementation and operations of Accenture Federal DGIB systems. I am honored to serve Veterans and their families in my role on this important program.

Accenture's work with VA Education began in 2019, when VA decided to reset after a failed Colmery implementation attempt with a different vendor. This reset included the release of a competitive, outcome-based RFP that Accenture won. In partnership with VA, we delivered Colmery on time and on budget. After this, VA released another full and open competitive RFP for the Digital GI Bill (DGIB) implementation and operations. Accenture won this competition and since March 2021, we have supported VA's efforts to make it faster and easier for Veterans to access and reliably receive life-changing education benefits.

We have achieved the main objectives for this contract: to process claims uninterrupted and to develop new capabilities based on requirements defined by VA, while enabling the retirement of VA legacy systems. For example, DGIB retired VA's nearly 50-year-old BDN mainframe which has improved VA's operational resilience and for the first time in the GI Bill's 80-year history, has enabled fully automated claims processing for originals and new chapters.

Through our DGIB automation efforts with VA, this January more than 64 percent of all education claims are processed same-day, the vast majority of these in seconds, with no Veteran Claim Examiner (VCE) effort. Chapter 35 is now running at 69 percent same-day automated claims processing, radically improving VA's posture for spring enrollment. Since March 2021, DGIB has processed over 16 million

claims, delivering more than 43 billion dollars in Veteran benefits to 2.3 million unique beneficiaries.

There have also been challenges to overcome. As previously detailed by the OIG: additional requirements like new legislative mandates, new judicial interpretations, and additional system integrations expanded the scope from the original contract and non-DGIB dependencies delayed the BDN retirement. During this BDN delay, VA re-prioritized several other efforts, including VET TEC 1.0 and My Education Benefits, and we delivered those capabilities ahead of schedule, ensuring that new advancements were still delivered to Veterans despite the BDN retirement delay.

The DGIB program's lifecycle cost estimate details the baseline costs expected for the overall VA program across multiple contracts with multiple vendors and other VA expenses. A smaller portion of this estimate is for the managed service vendor costs – that is, Accenture contract costs. The total Accenture contract ceiling is currently \$1.08 billion, inclusive of increased scope. Accenture contract cost is squarely within the baseline cost range for the scope and schedule ultimately required.

Moreover, DGIB results in significant cost avoidance, including an estimated \$250 million for BDN, \$400 million for other VA legacy systems, and \$400 million of claims processing staff time over 10 years. Without DGIB, VA would need to spend more on claims processing staff time to keep up with increased claim volumes. All of these savings compound year over year and in total, far exceed the \$1 billion in managed service contract ceiling.

As one of VA's most successful IT transformations, DGIB has overcome challenges and delivered on its commitments. Some conclusions to consider:

1. VA *can* achieve ambitious transformation, even when previous attempts over past decades have failed;
2. Baseline lifecycle cost estimates should include “known unknowns” like future legal mandates and other future fact-of-life changes that do not exist at program inception; and
3. Procurement organizations can tackle big business needs with Veteran outcome-based contracts like DGIB. With the right procurement strategy, VA leadership can drive critical mission outcomes in partnership with contractors.

With these lessons in mind, we look forward to working with VA to provide even more same-day experiences while complying with legal mandates—delivering education benefits faster, easier, and more reliably, which is what our Veterans have earned and deserve. Thank you, I look forward to your questions.

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### Prepared Statement of Troy Mueller

Chairman Van Orden and Chairman Barrett, Ranking Members Pappas and Budzinski, and other Members of the Subcommittees, thank you for the opportunity to testify before you today on matters relating to the Department of Veteran's Affairs (VA) Digital GI Bill program. Successful modernization of legacy IT is critical to improving the Veteran experience. MITRE very much appreciates the opportunity to share our insight from our work on this critical program.

MITRE is a 501(c)(3) nonprofit systems engineering, applied research, and advanced technology organization that operates federally Funded Research and Development Centers (FFRDCs) in support of Federal agencies spanning national security, homeland security, law enforcement, cybersecurity, health, transportation, and economic competitiveness, including the Department of Veterans Affairs. MITRE's technical and subject matter experts have had the privilege of supporting many modernization efforts across the Federal enterprise. Our workforce of approximately 7,000 is headquartered at campuses in McLean, VA, and Bedford, MA.

Currently, I am a Managing Director in MITRE's Center for Government Effectiveness and Modernization, responsible for directing our support to modernization of benefits and service delivery across all Veterans Benefits Administration (VBA) lines of business, the VA's Office of Information & Technology, and the Social Security Administration.

#### A Trusted Partner

MITRE has been a partner with the VA's Education Service since 2008, having supported multiple projects focused on improving delivery of education benefits, such as the implementation of The Post-9/11 Veterans' Educational Assistance Act of 2008 (Post-9/11 GI Bill), Harry W. Colmery Veterans Educational Assistance Act of 2017 (Forever GI Bill), and the Digital GI Bill program.

MITRE's role has focused on providing strategic advice, guidance, and assistance in the areas of systems engineering, program integration, and organizational change. Our work included completing the annual update of the life cycle cost estimate (LCCE) for the Digital GI Bill (DGIB) program from 2021 (version 1.0) through 2025 (version 5.0), which was delivered in April 2025.

### Life Cycle Cost Estimate

The Life Cycle Cost Estimate (LCCE) calculates the total cost to the Government for acquiring and owning a system throughout its lifetime, far beyond any contracts. It establishes a program cost baseline, aiding resource planning, program justification, and decision-making. Required for programs exceeding \$50 million<sup>1</sup>, the LCCE aligns with the Office of Management and Budget's (OMB) Capital Planning and Investment Control (CPIC) framework, as outlined in the Capital Programming Guide and OMB Circulars A-11 and A-94.

The LCCE is updated annually per GAO recommendations to reflect changes in technical, economic, and programmatic assumptions, and fact-of-life changes such as new legislation or court decisions impacting the agency, Veterans, service members, and beneficiaries. It supports financial decision-making and informs future budgetary needs. Developed using GAO's Cost Estimating and Assessment Guide (CEAG)<sup>2</sup>, the LCCE functions as an input-output model, with inputs capturing technical, economic, and programmatic parameters and assumptions, ultimately producing a point estimate and a range estimate to establish contingency reserves.

The initial version of an LCCE is considered the baseline and typically exhibits a higher level of uncertainty, with the point estimate having an approximate 25 percent confidence level based on empirical studies<sup>3</sup>. Version 1.0 of the DGIB LCCE reflected a point estimate of \$1.295 billion (then-year dollars) at the 25 percent confidence level, meaning there is a 75 percent probability of the point estimate increasing. GAO recommends using the estimated value at a 50 percent confidence level for budget projections in mature programs to establish contingency reserves. With each subsequent iteration, the uncertainty should decrease, and the point estimate confidence level should increase. The program cost team diligently tracks changes to the programmatic and technical environments and associated assumptions to inform annual updates and provide input to decision-makers.

As of the April 2025 update (version 5.0), the DGIB Program has an estimated total cost of \$2.38 billion in base year Fiscal Year 2021 constant dollars over a 10-year period, rising to approximately \$2.68 billion when adjusted for inflation (then-year dollars). At a 50 percent confidence level, the program's estimated life cycle cost reaches \$2.76 billion in then-year dollars, including a contingency reserve of \$93 million.

The Digital GI Bill program is large and complex and accordingly has inevitably encountered challenges, unanticipated complexities, and the realization of risks that have led to schedule delays and increased costs. Replacing extremely old legacy IT systems that rely on outdated software languages and hardware, such as the VA's 1970's-era mainframe Benefits Delivery Network (BDN) among others, presents a multitude of challenges. As expected, this effort has required re-engineering that yields issues that are difficult to anticipate and necessitate extensive testing and validation to minimize disruption to business operations such that access to benefits is not delayed.

The impact of challenges associated with modernizing legacy IT systems that are this dated, as well as updates to assumptions regarding claims volume, automation, the number of required Veterans Claim Examiners (VCE) post full implementation, and alignment of DGIB with dependent legacy systems and other large-scale modernization programs schedules and roadmaps to minimize the disruption of services resulted in the point estimate increase from LCCE version 1.0 (conducted in 2021) to version 5.0 (delivered in April 2025). The primary areas of cost increase over the lifecycle are the VCE assumption and timing of required automation targets (\$747M), and the transition to the GSA Alliant 2 contract, which has higher rates, to extend the platform configuration by 4 years to accommodate schedule impacts (\$485M).

VBA's active executive leadership and ongoing evolution of program processes, tools, and experienced staff will enable the program to continue identifying chal-

<sup>1</sup>The White House—OMB Circular A-11. Retrieved from: a11.pdf (whitehouse.gov)

<sup>2</sup>GAO Cost Estimating and Assessment Guide—GAO-20-195G, Published: Mar 12, 2020.

<sup>3</sup>Journal of Cost Analysis and Parametrics—*Enhanced Scenario-Based Method for Cost Risk Analysis: Theory, Application, and Implementation*. Retrieved from: <https://www.tandfonline.com/doi/full/10.1080/1941658X.2012.734757>.

lenges, crafting options, and proposing adjustments and improvements that will increase the probability of future success.

#### **A Record of Accomplishment**

Over the past 5 years, the Digital GI Bill program has had many accomplishments delivering eight successful major releases, including the migration of all benefits chapters to the platform, retiring of the Benefits Delivery Network (BDN) 1970's mainframe, and additional automation capabilities resulting in dramatically faster claims processing.

The integrated DGIB team is extremely sensitive to the impact of time on Veterans and beneficiaries. Delays in processing could drive a semester or entire academic year-long delay for some students as some degree completion or accelerated graduate programs only start once a year. These delays are not just start dates for school, they are delays in pursuing dreams and achieving life goals.

#### **Recommendations**

Two closely aligned recommendations can strengthen VA's ability to deliver modern services while improving the transparency and credibility of major investments. The first is the creation of a sufficiently resourced enterprise-level cost estimating capability, and second, the development of a streamlined early acquisition model that produces the data required for informed cost estimates. Together, they improve both the speed and rigor of VA's modernization efforts.

A dedicated, enterprise-level cost estimating capability at VA would give Congress and VA leadership consistent, independent, and defensible lifecycle cost estimates that strengthen budget formulation and major investment decisions. By validating program office estimates, establishing authoritative cost baselines, and providing transparent affordability analysis, this organization would reduce cost and schedule risk while improving oversight readiness and ensuring resources are aligned to outcomes that matter for Veterans.

This capability should be paired with a streamlined early acquisition model that accelerates delivery of benefits, healthcare, and services while generating the structured data needed for credible cost estimation. Rapid operational need definition, minimum viable requirements, early risk scans, and lightweight architecture work would shorten pre-award timelines and produce clear inputs such as preliminary requirements, solution concepts, and early cost drivers that feed the enterprise cost estimating organization.

Together, these reforms enable VA to deliver modern capabilities faster while grounding every major investment in transparent, data-driven analysis.

In closing, let me just note that of MITRE's roughly 6,500 personnel, over 1,100 are Veterans. There are few duties that our employees consider more noble and consequential than honoring, through our support for the VA, the service and sacrifice of our Nation's men and women in uniform. On behalf of the entire MITRE team, I greatly appreciate the opportunity to come before you today, and I look forward to your questions.



**Prepared Statement of William Hubbard**

**WRITTEN STATEMENT  
SUBMITTED TO THE  
HOUSE COMMITTEE ON VETERANS' AFFAIRS  
SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION  
AND SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
119TH CONGRESS, SECOND SESSION**

**February 4, 2026**

Chairmen Barrett and Van Orden, Ranking Members Budzinski and Pappas, and Members of the Subcommittees:

We thank you for the opportunity to present this statement for consideration at this hearing, which includes a review of critical failures in the delivery of higher education and veterans' education benefits. Veterans Education Success is a nonprofit organization with the mission of advancing higher education success for veterans, service members, and military families, and protecting the integrity and promise of the GI Bill and other federal education programs.

In this statement, we address this timely and important hearing topic, "Digital GI Bill Undelivered: Contracting Challenges and the Need for Acquisition Reform."

The Digital GI Bill (DGIB) was intended to modernize how VA administers education benefits by replacing aging enrollment and payment systems with a comprehensive digital platform. However, the DGIB transformation did not emerge in a vacuum. The platform has been rolled out in stages amid repeated GI Bill technology failures. These failures repeatedly demonstrated the same underlying risks: insufficient testing, poor timing, fragmented accountability, and inadequate contingency planning. Despite those lessons, VA has continued to proceed with DGIB updates that directly affected payment processing without ensuring the systems were ready or that safeguards were in place to prevent additional fiascos.

Contract failures, digital modernization missteps, and payment delays persist as core problems in the administration of education benefits at the Veterans Benefits Administration (VBA). Below, we highlight the key hurdles VBA faces in continuing the DGIB transformation rollout. We then offer solutions to each of these issues, informed by our work directly with student veterans and schools grappling with the downstream effects of these challenges.

We thank the Subcommittees for their continued attention to and oversight of these critical issues, having seen firsthand the real cost of delays and the direct impact on students. As you know, the GI Bill is an earned benefit, and veterans, their families, and survivors should be able to rely on it without the added stress of uncertainty about continuing their education or, worse, maintaining reliable housing. As always, we welcome feedback on the discussion points below and look forward to engaging with your staff members on these issues.

From the very beginning of the Post-9/11 GI Bill, the U.S. Department of Veterans Affairs (VA) experienced delays in GI Bill distribution and was forced to issue emergency payments of up to \$3,000 to more than 25,000 veterans who were left without their funds.<sup>1</sup> The following year, delayed payments persisted, and nearly 50,000 veterans continued to experience difficulties with VA's failures.<sup>2,3</sup>

More recently, while implementing the Forever GI Bill, VA experienced major IT failures in the fall of 2018.<sup>4</sup> Housing payments for as many as 180,000 student veterans were delayed due to computer system updates and processing issues.<sup>5</sup>

A separate—but all too familiar—breakdown occurred in 2023 under the Biden Administration: VA's rollout of the digital enrollment system reportedly triggered an unexpected gap in housing payments.<sup>6</sup> We testified that "VBA publicly announced a technical flaw that resulted in more than 280,000 student veterans' being delayed on their monthly housing allowance (MHA) GI Bill payments. For nearly 4,000 of these veterans, VBA had to work with the U.S. Department of the Treasury (USDOT) to mail hard-copy checks to the individuals to ensure continuity of on-time payments."<sup>7</sup>

- **Problem:** VA's education benefit systems continue to experience recurring payment failures, destabilizing GI Bill students' lives.
- **Solution:** Congress should require VA to implement reliable technical safeguards, transparent timelines, and actionable contingency plans because delays should be anticipated.

The recurring theme of "technical glitches" (and the newer theme of "contract failures") that inevitably leaves thousands of GI Bill students missing their education benefits is simply unacceptable. While VA always has an excuse for the error, the impact of these debacles falls on veterans and their families, who are forced to shoulder the burden of VA's repeated failures.

- **Problem:** VA's repeated characterization of major payment disruptions as isolated "technical challenges" and "contract failures" hides systemic weaknesses in planning and delivery of benefits.

<sup>1</sup> Philpott, Tom. "VA, lawmakers share blame for GI Bill delay," *Stars and Stripes*, (Oct. 17, 2009), <https://www.stripes.com/news/2009-10-17/military-update-va-lawmakers-share-blame-for-gi-bill-delay-1991955.html>.

<sup>2</sup> Daniel, Lisa. "VA Seeks to Eliminate Claims Processing Backlog, Official Says," *Army.mil*, (Dec. 18, 2010), [https://www.army.mil/article/49646/va\\_seeks\\_to\\_eliminate\\_claims\\_processing\\_backlog\\_official\\_says](https://www.army.mil/article/49646/va_seeks_to_eliminate_claims_processing_backlog_official_says).

<sup>3</sup> Scholarships.com. "GI Bill Backlog Continues into Spring," *Scholarships.com Blog*, (Jan. 8, 2010), <https://www.scholarships.com/blog/gi-bill-backlog-continues-into-spring>.

<sup>4</sup> Veterans of Foreign Wars. "Delayed Housing Payments Impacting 180,000 Student Veterans," *VFW Archives*, (Oct. 2018), <https://www.vfw.org/media-and-events/latest-releases/archives/2018/10/delayed-housing-payments-impacting-180000-student-veterans>.

<sup>5</sup> *Id.*

<sup>6</sup> Garcia, Joseph. "Update on Post 9/11 GI Bill MHA Delayed Payment for March 2023," *Veterans Benefits Administration*, (Apr. 19, 2023), <https://content.govdelivery.com/accounts/USVAVBA/bulletins/355e1e1>.

<sup>7</sup> Veterans Education Success. "Statement for the Record Submitted to the Senate Committee on Veterans Affairs 118th Congress, First Session," (Apr. 26, 2023), <https://vetsedsuccess.org/wp-content/uploads/2023/04/Veterans-Education-Success-Statement-For-the-Record-SVAC-4-26-2023.pdf>.

- **Solution:** VA must adopt more rigorous testing of technology solutions and independent verification of efficacy. VA should also implement staged technology rollouts that prevent failures from reaching students in the first place.

Continuing the trend of IT failures and poor communication, VA once again left students scrambling this fall. These benefits are fundamental to whether a student can remain enrolled, maintain housing stability, and cover the daily costs of attendance. When those funds disappear, the consequences are immediate and personal, as we saw over the course of this fall semester.

One student veteran wrote to us to describe the difficult position she faced as a result of the delays:

I have not received one of my payments and it's almost 90 days. I had my vehicle repossessed last week and I am facing eviction with late fees that are mounting[.] I am attending out of state school and I have no family near me. I am in dire need of assistance please help me. I can't get any answers from the emails I sent and the phone calls that go unanswered. I checked the VA benefits website and it shows that my benefits are eligible, but they have not issued any payments. This goes back to August. This is affecting my life tremendously.

Dylan, who served as a Boatswain's Mate in the US Navy for five years and now attends Simpson University, shared:

Beginning of fall semester 2025 my pay for school was delayed for two months, during that time I tried to check in the the VA hotline (it was shutdown and in furlow) I got redirected each time and every person that answered the phone either has no access to my info, or didn't know how to help, I called local congress representatives, I even went to navy federal for hardship loans and it was denied due to me not being a federal employee. Being in school put me in a weird circumstance where I relied on that money but don't meet requirements for help; if it wasn't for my loving fiancée and my job I would have been evicted and dropped out of school.

What made this situation more damaging was not simply the payment disruption, but the utter lack of communication. This is fundamentally a leadership failure, not merely a contractual error. VA was aware in August about the risk of payment delays.<sup>8</sup> VA later described the payment failure as being the result of a technical malfunction of their IT rollout.<sup>9</sup>

Once students became aware of missing payments, no one could get answers because the GI Bill hotline was classified as non-essential during the federal government shutdown—an issue we hope the Committee will address by requiring VA to deem the hotline an essential service. Yet, in the intervening months, no steps were taken to inform GI Bill students and stakeholders of the impending challenges.

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<sup>8</sup> Krupnick, Matt. "Complete nightmare": Student veterans, advisers say VA cuts are derailing their educations," *The Hechinger Report*, (Aug. 12, 2025), <https://hechingerreport.org/complete-nightmare-student-veterans-advisers-say-va-cuts-are-derailing-their-educations/>.

<sup>9</sup> See note 8.

Adding to this perspective, Joshua Rider, the Executive Director of the Center for Adult and Veteran Services at Kent State University, had this to share:

I have served in a leadership capacity in the area of military-connected student benefits for 16 years and have been a School Certifying Official for 20 years. The recent debacle involving Chapter 35 benefits had the largest negative impact I have witnessed since the rollout of the Post-9/11 GI Bill in 2009-10 and the initial issues with paper checks. I would like to open by saying that this is an extremely vulnerable population, as they are the dependents and spouses of 100% Permanent/Totally disabled veterans.

Kent State is just one of 37 publicly funded institutions in the state of Ohio. In the Fall 2025 term, we certified 297 Chapter 35 students. Of that number 50% were affected by the technical and processing errors. This means that 148 students were without \$1,536 per month until December. That's \$6,144 per student or \$909,312 for the population. Those funds are used for both on and off-campus room and board. We worked with our students living in campus housing to ensure there were no issues with their food or housing. However, 40% of those affected students live off campus. For those 59 students, landlords and grocery stores are unwilling to assist with a \$6,144 payment delay.

In summary, these are vulnerable students who were stripped of entitled funds upon which they and their families depend to fund their most basic needs: food, shelter, and heat. Kent State is just one example. If you multiply that number by 37, the regional impact is immense.

- **Problem:** Students, families, institutions, advocates, and Congress have repeatedly been left uninformed about major impending issues, even when VA has known about the risk of payment delays before they occur.
- **Solution:** VA should be required to provide proactive, plain-language notifications to students, schools, and oversight entities whenever payment risks are identified.

Congressional staff contacted organizations like ours to verify reports that GI Bill payments were not being disbursed. That outreach underscores the core issue: stakeholders outside VA were forced to determine the extent of the problem on their own because VA did not communicate it openly, even though it knew the risks to families. The absence of clear information created confusion for schools and exposed students to housing insecurity.

It is also important to view this incident in context. As discussed earlier, this was the third significant technology transition involving GI Bill payments in recent years that has caused considerable payment delays during implementation. Each was scheduled at the beginning of an academic term, when even minor interruptions can quickly lead to adverse outcomes for students. Modernizing systems is essential, but modernization that jeopardizes the delivery of core benefits is misguided. When the scheduling of VA's actions guarantees maximum disruption if anything goes wrong, the planning has already fallen short.

- **Problem:** VA continues to schedule major system changes at the start of academic terms, when even minor disruptions would create maximum harm.
- **Solution:** Congress should direct VA to avoid releasing education benefit system upgrades during critical enrollment or disbursement windows and require independent certification of readiness before launch.

There are practical steps VA should adopt to ensure this is avoided moving forward. Education benefits delivery must be treated as an essential function that does not pause when other parts of government do. A continuity plan is needed so that if one system fails or is offline, another is ready to take over. Institutions should receive clear guidance to avoid penalizing students for late payments due to circumstances beyond their control. Most importantly, when VA becomes aware of a significant risk to on-time payments, it should proactively share that information with students, institutions, policymakers, and advocates before financial harm occurs.

Student veterans, survivors, and their families do not view their education benefits as optional. Oftentimes, they plan their lives around these benefits because that is what they were told they could count on. VA must build on the lessons learned from these failures to reestablish trust with GI Bill students.

- **Problem:** Without stronger accountability and basic execution on benefits delivery, VA will continue to erode student trust in the GI Bill.
- **Solution:** Congress should strengthen oversight requirements, mandate transparent performance metrics, and ensure that students are not left bearing the cost of VA's failures.

Thank you for your attention to this issue and for your continued oversight as VA works to restore confidence in its delivery of education benefits. Veterans Education Success stands ready to support the Subcommittee in any way that helps protect the students and families who depend on these programs.

In summary, the five solutions we propose are for VA to:

- Implement reliable technical safeguards, transparent timelines, and actionable contingency plans for any failure to administer education benefits as otherwise anticipated;
- Adopt more rigorous testing of technology solutions and independent verification of efficacy; implement staged technology rollouts that prevent failures from reaching students in the first place;
- Provide proactive, plain-language notifications to students, schools, and oversight entities whenever payment risks are identified;
- Avoid releasing education benefit system upgrades during critical student enrollment or disbursement windows; instead, deploy upgrades during times of the year that are less likely to affect students negatively, and require independent certification of readiness before launch;
- Finally, for Congress to strengthen oversight requirements, mandate transparent performance metrics, and ensure that students are not left bearing the cost of VA's failures.

Finally, as the higher education industry continues to evolve in these unique times, we also emphasize the importance of maintaining high standards of quality. Student veterans, taxpayers, and Congress must expect the best outcomes from the use of hard-earned GI Bill benefits. We look forward to discussing and reviewing these topics and are grateful for the continued opportunity to collaborate on them.

We appreciate the opportunity to share our views with the Subcommittees and look forward to continued collaboration.

**Information Required by Rule XI, Clause 2(g)(4) of the House of Representatives  
and the Rules of the Committee on Veterans Affairs**

Pursuant to Rule XI, clause 2(g)(4) of the House of Representatives, Veterans Education Success has not received any federal grants in Fiscal Year 2026, nor has it received any federal grants in the two previous Fiscal Years.

**Information Required by the Rules of the Committee on Veterans Affairs Regarding  
Foreign Government and Foreign Adversary Funding**

Pursuant to the Rules of the Committee on Veterans Affairs, and consistent with the definitions set forth in P.L. 118-50, Division H, § 2(g)(1), Veterans Education Success has not received any contracts, grants, or payments originating with a foreign government, a foreign adversary-controlled entity, or an entity or country of particular concern.



**William Hubbard,  
Vice President for Veterans & Military Policy**



William Hubbard serves as the Vice President for Veterans & Military Policy at Veterans Education Success, focused on advancing higher education success for service members, veterans, and their families, and protecting the promise of federal education programs. Previously, he served as the Vice President of Government Affairs and Chief of Staff for Student Veterans of America. He has frequently testified before Congress on a range of higher education and veterans issues and spearheaded the coalition that led to the unanimous passage of the Forever GI Bill.

Prior to his roles in higher education advocacy, Will worked as a Federal Strategy and Operations Consultant at Deloitte and spent several years serving government agencies, including the Department of the Navy, the Department of State, and the State of Indiana Department of Revenue in his role. He also served as a National Executive Committee Member of Deloitte's Armed Forces Business Resource Group.

Will joined the Marine Corps Reserves in 2006 and continues his service today, presently serving as a Consulting & Strategy Manager with the Marine Innovation Unit. His last overseas deployment was to Kabul City, Afghanistan, where he served in the Special Operations Joint Task Force as a member of a small cell of intelligence professionals. He also worked with Southern Command (SOUTHCOM) to conduct activities in Honduras, Guatemala, and El Salvador, and humanitarian assistance/disaster relief in Haiti.

He serves on the National Advocacy Council for the National Marrow Donor Program, and was previously a member of the U.S. Small Business Administration's Interagency Task Force on Veterans Small Business Development. He is a recipient of the American University Alumni Association's Rising Star Award for 2019.

Will graduated with a bachelor's degree in international studies from American University and has a certificate in International Law & Organizations from American University's School of Professional & Extended Studies. Will and his wife, Noelle, presently reside in Arlington, VA, with their daughters, Lucy, Ruby, and Zoey.





## STATEMENTS FOR THE RECORD

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### **Prepared Statement of National Association of Veterans Programs Administrators**



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NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS

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#### STATEMENT FOR THE RECORD

DR. JAN DEL SIGNORE, LEGISLATIVE DIRECTOR  
NATIONAL ASSOCIATION OF VETERANS' PROGRAM ADMINISTRATORS

#### TO THE

UNITED STATES HOUSE COMMITTEE ON VETERANS' AFFAIR  
SUBCOMMITTEE ON TECHNOLOGY MODERNIZATION &  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

HEARING ON THE DIGITAL G.I. BILL:  
CONTRACTING CHALLENGES AND THE NEED FOR ACQUISITION REFORM

FEBRUARY 4, 2026

Thank you for the opportunity to submit this statement for the record regarding the Department of Veterans Affairs' (VA) administration of education benefits through the Enrollment Manager (EM) system. The National Association of Veterans' Program Administrators (NAVPA) represents School Certifying Officials (SCOs) and school administrators nationwide who are responsible for administering GI Bill® education benefits on behalf of student veterans and their dependents.

NAVPA respectfully submits the following observations regarding the planning, implementation, and operational outcomes associated with EM, as well as recommendations to improve system reliability and ensure continuity of education benefits.

### Planning

The VA implemented the Enrollment Manager system in March 2023 to replace the legacy VA-ONCE platform.<sup>1</sup> The initial deployment followed a delayed rollout after higher education stakeholders raised concerns regarding the original January 2023 implementation date, which coincided with the start of an academic term.<sup>234</sup>

Historically, EM updates have been planned and executed without substantive consultation with higher education administrators and have frequently been scheduled immediately preceding the start of academic semesters. These periods represent peak operational demand for SCOs, who are responsible for certifying enrollments, reviewing academic progress, and reporting changes in enrollment status in accordance with VA regulations.<sup>5</sup>

SCOs are required to submit initial certifications prior to the start of a term and, for certain benefit chapters, a subsequent certification within 30 days of the institution's drop/add period to ensure accurate tuition reporting and timely housing payments.<sup>6</sup>

### Implementation

At the time of EM's initial launch, institutions experienced a complete loss of access to both EM and VA-ONCE for approximately one week.<sup>1</sup> Despite the absence of system access, the VA continued to conduct Compliance Surveys and declined requests for rescheduling even though schools had no access to either system.

Subsequent EM updates have often occurred with minimal advance notice to institutions. In multiple instances, EM was taken offline during standard business operations, preventing SCOs from submitting certifications.<sup>7</sup> SCOs have a deadline to submit certifications to ensure compliance and timely student payments.

### Fallout and Outcomes

In December 2024, an update was implemented during the second week of December while institutions nationwide were certifying enrollments for the upcoming term. SCOs reported that certifications were not visible on the VA side of the system. Although initial reports were

dismissed, the VA later acknowledged during a January 2025 Fireside Chat that more than 44,500 veterans were affected.

The most significant and recent disruption occurred following a system update in July 2025 intended to integrate Chapter 35 (Survivors' and Dependents' Educational Assistance) beneficiaries into EM. This update, compounded by the October 2025 government shutdown, resulted in delayed or partial GI Bill® payments for more than 75,000 students and veterans nationwide.<sup>8910</sup>

NAVPA conducted a mixed-methods survey during this period, the findings of which were shared with Members of Congress.<sup>11</sup> The survey demonstrated significant reliance on GI Bill® benefits and documented financial hardship, enrollment disruption, and systemic communication failures. The NAVPA survey results are included as a separate document.

During the government shutdown, SCOs continued to receive reports from students across multiple benefit chapters regarding non-payment of benefits. Although certifications had been submitted, SCOs had no effective means to communicate with the VA due to the closure of VA Call Centers, leaving the Ask VA (AVA) portal as the sole communication tool.<sup>1415</sup> The AVA portal often resulted in delayed responses or closed inquiries without resolution.

#### Recommendations

NAVPA recognizes the necessity of modernizing VA information technology systems. However, such modernization must be executed in a manner that prioritizes continuity of benefits and institutional functionality.

NAVPA recommends that the VA formally engage school administrators and national higher education organizations, including NAVPA, during the planning phase of system updates. Meaningful collaboration would enable updates to be scheduled during periods that minimize disruption and allow institutions to prepare accordingly.

Additionally, NAVPA strongly recommends comprehensive beta testing of all system updates prior to deployment. Rigorous testing would help identify and mitigate failures before they negatively impact students and institutions.

With these measures in place, SCOs would be better positioned to fulfill their obligations without interruption, and students would be protected from delayed or missed benefit payments.

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### **Conclusion**

The government shutdown exposed significant vulnerabilities within the VA's education benefits infrastructure. The convergence of system failures, payment delays, and communication breakdowns resulted in serious financial and emotional consequences for student veterans and their dependents. These events underscore the urgent need for improved planning, stakeholder engagement, system testing, and contingency protocols to ensure the uninterrupted delivery of education benefits.

NAVPA appreciates the Committee's attention to this matter and stands ready to assist in efforts to strengthen the administration of education benefits for those who have served.

**Footnotes**

1. U.S. Department of Veterans Affairs, Veterans Benefits Administration, Enrollment Manager Will Open on March 6, 2023, GovDelivery Bulletin (Jan. 12, 2023).
2. American Council on Education, VA Delays Enrollment Management System Change (Dec. 13, 2022).
3. Student Veterans of America, VA Delays New Enrollment Manager System to Reduce Impact on Student Veterans (Dec. 15, 2022).
4. National Association of Student Financial Aid Administrators, VA Announces Delay of Enrollment Management System Transition (Dec. 14, 2022).
5. U.S. Department of Veterans Affairs, Certification Basics for School Certifying Officials.
6. U.S. Department of Veterans Affairs, Two Certification Requirement—Public Law 116-315, Section 1010 (effective Aug. 1, 2021).
7. U.S. Department of Veterans Affairs, Enrollment Manager System Updates (2023–2025).
8. Stars and Stripes, Computer ‘Glitch’ Delays Higher-Education Payments for Veterans’ Dependents and Survivors (Oct. 16, 2025).
9. Federal News Network, VA IT Glitch Delays Education Benefits for Thousands of Students (Nov. 10, 2025).
10. The American Legion, More Than 75,000 Student Veterans’ Benefits Impacted by Government Shutdown (Oct. 30, 2025).
11. National Association of Veterans’ Program Administrators, Government Shutdown 2025: Final Analysis (Nov. 2025).
14. U.S. Department of Veterans Affairs, Ask VA (AVA) Communication Portal.
15. U.S. Department of Veterans Affairs, Education Call Center and GI Bill® Hotline Operations During Government Shutdowns (2025).

# GOVERNMENT SHUTDOWN 2025 FINAL ANALYSIS



Dr. Jan Del Signore, Legislative Director  
National Association of Veterans' Program Administrators Legislative Committee

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## Introduction

### **Membership Concerns**

The National Association of Veterans' Program Administrators (NAVPA) is an organization of institutions and individuals who are involved or interested in the operation of veterans' affairs programs and/or the delivery of services to veterans across the country. A Board of Directors elected at the annual conference governs NAVPA. The purpose of NAVPA is to promote professional competency and efficiency through an association of members and others allied with, and involved in, veterans' educational programs and to promote the development, improvement, and extension of opportunities to any service member, veteran, or dependent of a veteran or service member, for their personal growth and development to its fullest potential. This is achieved through assisting with the assessment and attainment of individual needs, communicating and cooperating with communities, schools, agencies, and organizations at the local, state, regional, and federal levels; developing productive relations with the Department of Veterans Affairs, Department of Education, Department of Defense, and other federal or national Veterans Service Organizations or agency serving veterans; participating in efforts to facilitate the education and/or training of educationally or otherwise disadvantaged veterans and to promote cooperative studies, research, evaluation, workshops, seminars, conferences, and other activities as may be desired or required to fulfill the purpose of NAVPA.

NAVPA has served as the voice of advocacy for veterans in higher education since its founding in 1975. Our research, training, and policy initiatives have developed programs and support services to ensure veterans achieve their academic and professional goals. NAVPA's membership includes over 400 Institutions of Higher Learning across the nation which represent over 530,000 veterans.

One advantage of an institutional membership in NAVPA warrants the availability of a close-knit Listserv allowing NAVPA members to seek information from other institutions and school



administrators who may be experiencing similar issues. Lately, NAVPA members have been sharing information regarding how the current Government Shutdown has affected GI Bill® recipients. Topics of recent discussions include non-payment for Chapter 35, Survivors' and Dependents' Educational Assistance (DEA) program recipients, the closing of the School Certifying Official (SCO) Hotline, and concerns about the furloughed counselors that oversee Chapter 31, Veteran Readiness & Employment (VR&E) benefit.

Schools and students have been contacting their Congressional Representatives and sharing information about how the Government Shutdown has had a negative impact on student veterans and family members. Congressional Staffers from the House of Veterans Affairs Committee (HVAC) and the Senate Veterans Affairs Committee (SVAC) reached out to NAVPA to determine the effects and to garner additional information.

The NAVPA Legislative Committee created a short survey for NAVPA institutions and a separate survey for students attending NAVPA member schools. NAVPA was able to capture data extremely quickly from both institutions and students. The following pages are the data captured after a few hours of opening the survey, with updated results, and final analysis after the survey closed. The objective was to assess the impact of the 2025 Government Shutdown on students, schools, and VA education benefits. NAVPA developed a mixed-methods model using both quantitative and qualitative data to better understand the impact of the Government Shutdown on students using GI Bill® benefits.

**School Findings**

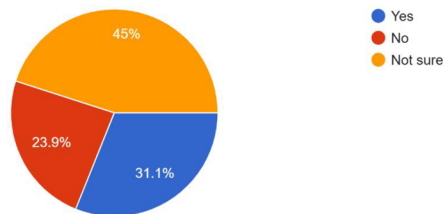
As initially reported, at 6:00pm on October 8, 2025, NAVPA received 177 responses to the school survey with the final school responses ending October 24, 2025, with 222 anonymous responses from higher educational institutions. Schools reported that the closing of the VA Education Call Center has had a negative impact on institutions and GI Bill® recipients alike. Schools reported that students are upset, frustrated, scared, and have nowhere to turn to find out information about missing VA payments. School administrators are unable to assist these students other than to confirm the students' benefits have been certified to the VA. Without access to the VA Call Centers, students cannot request a hardship to receive their benefits. These students currently cannot pay for basic life necessities such as food, rent, and transportation.

Students typically have an established relationship with their School Certifying Official (SCO) or school administrator, whom they rely on for guidance and support regarding their GI Bill® benefits. With the Call Center shutdown, school administrators and SCOs are no longer able to discuss educational benefits, hindering the process as schools do not know if a payment is delayed, denied, missing information, received, etc. Without this information, schools are unable to fill the gap and help advise students properly regarding their benefits. NAVPA members are reporting that students have been approaching the schools nonstop looking for help since the Government Shutdown on October 1, 2025. In addition, the VA has not been providing any messaging to schools or their students other than the original message that stated benefits would not be affected, to which we have seen the opposite effect as indicated in the data NAVPA was able to capture.

Another top concern reported was no access to counselors that oversee Chapter 31 for disabled veterans. If the counselor was able to process an electronic authorization for their students before they were furloughed, Chapter 31 benefits should be processed. Both schools and students alike have no access to anyone administering VR&E benefits for assistance.

The SCO survey asked if the Government Shutdown has a negative impact on student enrollment. The NAVPA participants had 31% of respondents answer “Yes,” 23.9% responded “No,” and 45% were uncertain about the potential impact on student enrollment. Some schools have continuous classes starting throughout the semester. These schools are reporting that Chapter 31 students are unable to procure VR&E approval to move forward with their enrollment. Schools also reported that new students could not enroll without an approval to use Chapter 31 benefits leaving these disabled veterans without funding or having to delay their enrollment.

Has there been any negative impact on student enrollment?  
222 responses

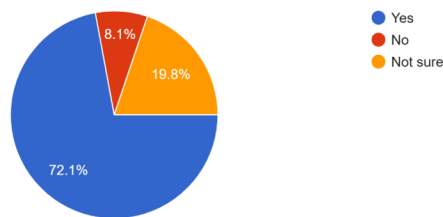


Some schools reported that students have withdrawn due to the uncertainty of the Government Shutdown. Other NAVPA members stated that the Government Shutdown is creating a student retention issue as students are afraid to stay in school with no VA funding being provided. Some schools reported that students have taken on extra jobs during this time. Schools are working to find other resources to assist students, but these are limited.

NAVPA schools reported that the Government Shutdown is having a negative impact on student payments. NAVPA members nationwide are reporting that Chapter 35 recipients are not being paid. After further investigation, several schools reported that this may be a cause and effect from the VA updating their technology in July. One member reported that the upgrade that was pushed out in July caused a crash in August and VA must reprocess Chapter 35 claims. But there is no way to confirm

this with the Call Center being down. Some schools are reporting that their Chapter 35 students have not received any payment since August. There has been no notification that this payment delay occurred from the VA.

Any negative impact on student payments?  
222 responses



In October, NAVPA met virtually with the Executive Director, Education Service, VBA, who confirmed that there was a Chapter 35 payment delay that affected over 75,000 recipients. This was caused by the Enrollment Manager (EM) update that occurred in July, but with the software personnel furloughed from the shutdown, the VA must manually process these benefits. Some staff with claims experience have been recalled to assist but the shutdown prohibits overtime, further slowing progress. During the NAVPA Conference October 27-30, 2025, 96% of schools responding to a NAVPA Poll question in the Whova app reported that students experienced a delay in payment for October.



For the Qualitative Analysis, a Word Cloud was created using open-ended responses from SCOs. The Word Frequency analysis identified the most common terms were *students*, *VA*, *payments*, *and communication*.



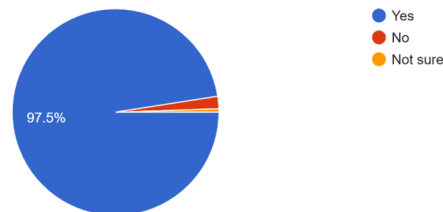
Overall, participants reported the inability to confirm benefit status, file numbers, or exhaustion dates due to the Call Center shutdown. VR&E invoices and purchase orders stalled, preventing student enrollment. Some Colleges reported absorbing financial risk and managing emergency aid.

### Student Findings

Beginning on October 8, 2025, NAVPA received 747 anonymous responses to the student survey, NAVPA concluded the survey on October 24, 2025, with responses collected from 2,428 students nationwide regarding their use of GI Bill® benefits and the effects of the Government Shutdown. Geographic distribution was nationwide, with high concentrations in Alabama, Florida, Colorado, California, and Nevada participating. Much of the data aggregated confirms the data the schools provided in their separate survey. However, students that participated gave more details in how the Government Shutdown has created a negative impact on student veterans and family members. Of those surveyed, 2,368 responded that they are currently using GI Bill® benefits to include, Chapter 33, Post 9/11 GI Bill®, Chapter 31, Veterans Readiness & Employment (VR&E), Chapter 30, Montgomery GI Bill®, Chapter 35, Survivors' and Dependents' Educational Assistance (DEA) program, and Chapter 1606, Montgomery GI Bill Selected Reserve (MGIB-SR).

Are you currently using any GI Bill(R) benefit to include Chapter 33, Chapter 31, Chapter 30, Chapter 35, or Chapter 1606 to attend school?

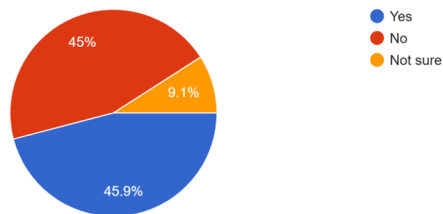
2,428 responses



For those students that responded YES to using GI Bill® benefits, NAVPA asked if they received their October payment. as to which a resounding 45% responded NO. That affects 1,093 students nationwide from the representative sample. Oftentimes, a picture can explain the detrimental effect. The next two charts provide clear examples of the negative impact of the Government Shutdown on

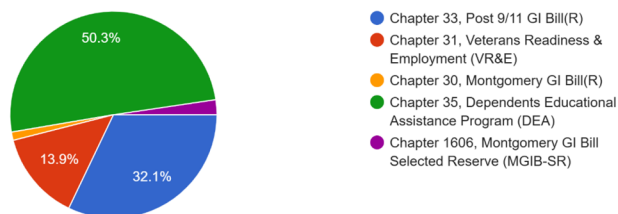
our student veterans and their family members attending school. Proportion of students who received October payments vs. those who did not are defined in the chart below.

If yes, did you receive your VA payment in October?  
2,428 responses



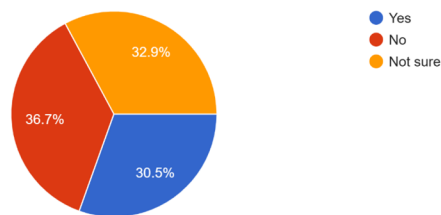
The below chart shows Chapter 35 students provided the most responses and had the most negative impact following with Chapter 33 students and then Chapter 31 for our disabled veterans. All chapters of the GI Bill® felt a negative effect. NAVPA shared the preliminary data with Congress as to which they were surprised to see all types of beneficiary users impacted. With the Call Centers temporarily closed, NAVPA understands that the VA may not have been fully aware that certain categories of beneficiaries had not received their housing payments until this information was brought to their attention.

If no, what benefit are you using?  
1,623 responses



Many students are worried about how they will be able to continue attending school without any benefits being paid. Chapter 31 students responded that they were worried how their enrollment would continue without the approval of VR&E counselors. With the large number of students not receiving any housing assistance, many respondents reported that they were taking on additional work to pay for basic survival needs such as food, rent, and gas. Some students reported dropping out of school to take on additional jobs or moving in with family.

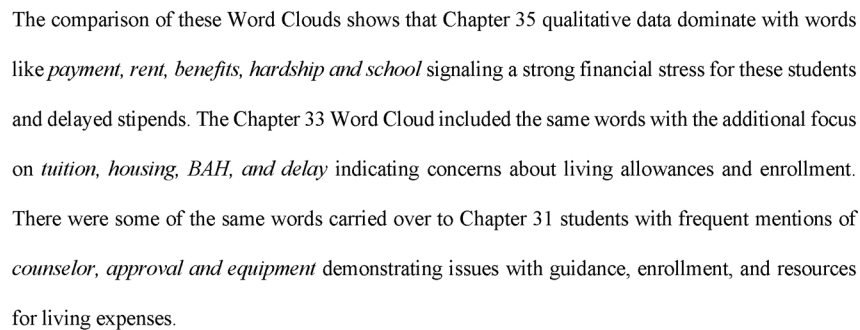
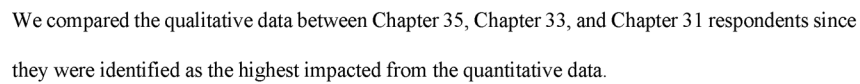
Has the Government Shutdown had any negative impact on your enrollment?  
2,428 responses



Overall, the quantitative data showed 97.5% of respondents using GI Bill® benefits. Nearly half of respondents reported not receiving their October payment from the VA. Of the students participating, 30.5% report a negative impact on their enrollment due to the Government Shutdown and not receiving their housing benefits. The beneficiaries impacted the most are Chapter 35 (DEA), Chapter 33 (Post-9/11) and Chapter 31 (VR&E).

Like the SCO analysis, a Word Cloud was created to analyze the qualitative data based on the comments provided by students completing the survey. Prominent words included *payment*, *benefits*, *rent*, *school*, *shutdown*, *help*, *contact*, and *enrollment*. Themes from the qualitative data suggest *financial hardship*, *delayed payments* and *lack of communication* as major concerns. Lastly, emotional and urgent terms like *stress*, *need*, and *help* indicate the severity of the impact.





Common themes in the qualitative data include frequent mentions of *financial hardship*, *communication issues*, and *systemic problems*, along with moderate but significant references to *emotional impact*.

Under Financial Hardship, students reported eviction threats, homelessness, and food insecurity. With no payment of benefits, students now have increased debt relying on loans and/or credit cards. Many students use their GI Bill® benefits to help pay for tuition. Without these benefits, students are unable to pay tuition, register for classes, or buy textbooks for their courses.

The communication breakdown consists of the VA Education Call Center closure being a major barrier. Students cannot call to verify their enrollment, receive assistance to resolve issues, unable to file any hardship requests, or to confirm benefit status. Students reported that the VA.gov and AskVA portals were insufficient for urgent needs. Inaccessibility of counselors, especially for VR&E students, created undue stress and worry for these disabled veterans.

The systemic problems of delays in processing, system glitches, backlog, and verification failures were key issues and concerns. Students reported VA systemic inefficiencies to include processing delays, transparency, and IT issues compounded the impact.

Lastly, with the emotional and academic impact on students during the Government Shutdown, there are high level reports of stress, anxiety, depression, and academic distraction. Students are forced to work excessive hours risking academic failure. Some students are considering dropping out or delaying graduation as they have not received their benefits to pay living expenses.

The qualitative data gets to the heart and shows the human aspect of the matter and how the current Government Shutdown has had such a negative impact on student veterans, dependents, and active-duty personnel trying to use their earned GI Bill® benefits to go to school. The qualitative data provided an in-depth understanding of experiences directly from students. NAVPA included an addendum to this report with actual student comments so their voices can be heard.

## Conclusion

### **Overview**

The comprehensive analysis of the surveys conducted by NAVPA reveals significant insights into the impact of the 2025 Government Shutdown on VA education benefits. The 2025 Government Shutdown exposed systemic vulnerabilities in the administration of VA education benefits. Thousands of students were left without financial support, guidance, or communication.

During this mixed-methods analysis, the number of respondents indicated a significant reliance on GI Bill® benefits while they attend school. The three most effected recipients were Chapter 35 (DEA), Chapter 33 (Post 9/11), and Chapter 31 (VR&E) students. Nearly half (46.9%) of respondents did not receive their October payment, creating widespread financial strain. Approximately 30.5% of respondents indicated a decline in enrollment, while 32.9% expressed uncertainty—reflecting potential systemic instability. Dominant themes include financial hardship and communication breakdown, followed by systemic issues, emotional distress, and policy concerns.

### **Impact of VA Education Benefit Disruptions**

During the Government Shutdown, students relying on VA education benefits encountered significant challenges. Financial hardships are widespread, with many struggling to afford rent, tuition, food, and basic living expenses—often resorting to taking out loans, using credit cards, or taking on multiple jobs. The closure of the VA Education Call Center and furloughs of counselors led to a breakdown in communication, leaving students without critical support or guidance. These disruptions contributed to elevated levels of stress, anxiety, and uncertainty, which negatively affected academic performance and mental health. Additionally, there was notable frustration directed at congressional gridlock, with calls to ensure veteran benefits are protected during future shutdowns. Systemic issues, including delays, IT failures, and verification problems, further compounded the crisis and exposed operational vulnerabilities within the system.

**NAVPA Recommendations**

Students need to communicate with their school immediately for resources they may not be aware of. Many states and counties offer additional local sources specific to veterans, active-duty personnel, and their family members. Students should inform their SCO if benefits are not received, as schools cannot verify payment delays while VA Call Centers remain closed but may be able to assist with other resources. During the recent NAVPA conference, Congressional staffers invited SCOs to share with them students who were still waiting for their benefits as these staffers are in a unique position to help.

NAVPA strongly recommends that the VA avoid implementing technology updates immediately before the start of academic semesters and to maintain uninterrupted processing of education benefits during Government Shutdowns. Past instances of such timing have led to significant disruptions, negatively impacting students who rely on VA services. For example, earlier in January 2025, VA reported that more than 44,500 students were negatively impacted due to a similar technology update that caused a delay in student payments. To prevent adverse effects on student veterans, the VA should schedule technology updates outside of peak academic periods. Coordinating system changes during less critical times will help ensure uninterrupted access to benefits and support services for all students using their GI Bill®.

NAVPA has urged the VA to reopen the Education Call Center to assist both students and schools who are working with the impacted recipients to improve beneficiary communication immediately. Both Call Centers are still closed as of 11/11/2025. NAVPA recommends enhanced transparency and communication by improving communication with students about benefit status, timelines, and providing hardship assistance.

NAVPA recommends reclassifying Veteran Readiness and Employment (VR&E) counselors as essential personnel. This change would ensure uninterrupted support for disabled veterans,

particularly during Government Shutdowns or other service disruptions. Essential staff would be able to maintain consistent access to vital services for disabled veterans. This classification would help safeguard their educational and rehabilitation progress during periods of operational uncertainty.

NAVPA will be conducting another student and school survey to collect new data for the second week in November which should be sufficient time for the VA to process normal housing payments. This will give more insight into systemic issues and operational vulnerabilities.

NAVPA appreciates all that Congress has done to help our students. This information will be shared with both the House and Senate Veterans Affairs Committees (HVA and SVA). After reviewing the data and hearing directly from our students, NAVPA encourages legislative action to safeguard these benefits and ensure continuity of support for student veterans and their families. The testimonies collected reflect a deep need for reform, empathy, and accountability in how the government supports those who have served. As seen in the comments below, this has negatively impacted veterans, disabled veterans, their family members, and survivors nationwide.

In closing, the Government Shutdown exposed critical vulnerabilities in the VA education benefits system. The combination of payment delays, lack of communication, and systemic inefficiencies created severe financial and emotional consequences for student veterans and dependents attending school. These findings underscore the urgent need for policy safeguards, processing improvements, and contingency measures to ensure uninterrupted support for our nation's heroes.

### Addendum

#### Student Voices Sample

#### Financial Hardship

Students expressed difficulty affording basic needs due to delayed or missing benefits:

*I have not received payment for the semester at all and now do not have the ability to speak with a VA representative to remedy the issue.*

*My parents are having to take out loans to pay for my school that the government should be sending money for since my dad retired from the army*

*I can't pay my rent and might be homeless next month*

*I am currently in the Doctorate program at xxxx University (sic) and have been using my chapter 35 benefits to assist in everyday expenses such as gas, internet service, food and housing. My financial planning relies on timely receipt of these benefits. It is a core essential monthly living income that I depend on since losing my husband to a service connected death.*

*Unable to call the VA hotline and track my payment or even verify my enrollment.*

*I rely on the my Chapter 35 benefits to help cover my cost of living expenses. I have a campus job, but I am no able to work enough hours to cover all my expenses from that income alone. The shutdown has left me incredibly financially insecure, wondering if the government will open back up in time for me to pay my rent next month.*

*I am stuck waiting with no answers to whether or not I'll be getting any of my payments for this semester. If I don't receive payments by the end of this month I won't be able to pay my bills and continue to be in school.*

*I have to drop out and move back home because I was unable to pay rent on the first.*

*The money i use to pay for books, housing, food, etc. Is now digging into my savings and out of pocket*

*I can't afford many things like food and clothes and many necessities. I'm having to rely on my parents when they can't afford to give me aid either. I NEED the stipend to survive and right now I'm not surviving.*

*I haven't received my VA payment which is essential when it comes to paying bills, textbooks, and other school related costs.*

*I have not received my benefits and am low on money. I cannot reach anyone to figure out when I might get these benefits.*

*I cannot verify enrollment for this and the last 2 months. So I cannot get groceries or pay rent.*

*I have not received any payments and have been unable to pay my rent. My application is still being processed.*

*I'm not able to verify my September time with the VA for my Ch 30 pay.*

*I should not be worried about my parents losing their jobs while I'm in college.*

*Haven't received my education benefits. Horrible. No one there to let me know WHEN I'm receiving October payment.*

*Difficult paying rent/bills. Unknown on when and if I'll receive my Chapter 35 payments.*

*I had to take out loans to continue my education.*

*I rely on this money to pay bills. I don't want to ask my parents for money.*

*I haven't received my monthly payments. I'm working every day and still barely getting by.*

*I'm stuck waiting with no answers to whether or not I'll be getting any of my payments.*

*I rely on Chapter 35 benefits to pay for textbooks, travel, and food. I am unable to work as much due to my class workload.*

*My insurance went up. I can't get needed information that is crucial for my education and paying my bills.*

*I use my monthly stipend to provide for myself while attending school. If I do not receive a payment soon, I will have to leave school to work.*

*I haven't been able to get any of my money. I'm left in the dark about when I'll get it and I don't know if I'll be able to pay my bill. I'm trying to get an education and have a good future.*

*I have not received any education benefits since August. These benefits are what I use to pay rent for living at my college.*

*My entire family are federal workers. If I can't pay my tuition, I can't ask them to help because they're not getting paid either.*

*I rely on Chapter 35 benefits to pay for textbooks, travel, and food. I am unable to work as much due to my class workload.*

*I received \$41 for October from my GI benefits rather than the full amount (approximately \$1900).*

*I have no source of income if the Government Shutdown continues. I support my spouse, my mom, and others. Congress should not receive pay during a shutdown!*

*The shutdown has affected all cadets negatively. The stipends are vital to pay for college. We won't receive backpay unless something changes.*

*I never received my pay from August or September. With the government closed, I'm not sure if my claim is still being processed.*

*The shutdown caused delays in my educational payments. I've struggled with transportation and housing expenses.*



### **Communication Issues**

Students struggled to get updates or assistance due to the call center closure because of the Government Shutdown.

*I can't get in contact with anyone about my missed September and October payments.*

*I understand that relying on the VA for money is not ideal, but as a college student, I was relying on this money. The education call center is important for me to know the timeline of the processing of my enrollment.*

*I have no one to talk to about the difficulties and hardships going on.*

*I cannot ask any questions, leaving me confused and feeling unheard.*

*I can't check my benefits status, verify enrollment, or figure out why I haven't received my check.*

*I am not able to receive any information on future GI Bill benefits.*

*I struggle to pay rent and other bills (utilities, groceries, gas, phone, etc) without my monthly payment from August–October. I'm unable to check in on the processing of my benefits.*

*I have not received my payment for October and I am not able to get any questions answered from the VA due to the shutdown.*

*I use my stipend to help with daycare and rent. Even with my husband working full-time, we cannot sustain ourselves for long without it.*

*I am unable to pay bills while in school due to lack of payments. I can't contact the call center to get an update.*

*I cannot get in touch with anyone to try to get my benefit payments, so I have no help.*

*I am unable to contact my VR&E counselor for issues with school. I will end up having to drop my classes and will not be able to complete my courses.*

*Harder to talk to VR&E counselor to switch my benefits. Can't get help if I'm having an issue. We rely on the government to live and it affects us heavily.*

*I needed to change my minor and inquire about a dropped class, but my counselor is unavailable due to the shutdown. Stop using veterans as political tools.*

*It has made it harder to get answers about questions I have and needing updates. Please don't shut down the government.*

*I would like to call to get my questions answered, and I cannot contact them throughout the shutdown. Please work hard to end it!*

*I can't get in contact with my counselor. I'm stuck in a major that aggravates my disabilities and delays my entry into the workforce.*

*I am unable to contact my VR&E counselor in efforts to get reimbursed for amounts totaling 5 Figures.*

### Systemic Issues

The recent VA service disruptions have created widespread systemic challenges including delays in benefit processing, inability to access essential support services, and significant financial strain on students.

*I am unable to sign up for classes because VA staff are on furlough.*

*Processing delays have created more financial burden on us students.*

*Paperwork is unable to process because the VA offices are unavailable."*

*I won't be able to pay my tuition on time.*

*I have not received the proper funds to support myself during this semester and buy my school necessities.*

*The new payment system has glitches that held up my August stipend payment.*

*I am interested in applying for VR&E benefits and not sure if I can at this time.*

*Army TA and other benefits should be processed before the school year starts.*

*Unable to effectively receive assistance regarding my benefits. I am active duty, I would like to get paid. We are going into debt to make ends meet.*

*Unable to determine if I'm eligible for a Rudisil review for additional benefits.*



*I submitted my paperwork early, but I always receive my Chapter 35 benefits late. I've been working more to pay rent and still haven't paid off my books for the semester.*

*If I do not receive my payment, I will not be able to pay my monthly tuition plan. My account is on hold and I can't register for spring semester.*

*I'm trying to switch from Post 9/11 to VR&E and the shutdown caused my orientation to be canceled.*

#### Emotional Stress Comments

The shutdown directly impacts veterans who rely on educational benefits to rebuild their lives. These interruptions affect housing stability, mental health, and academic progress.

*I was told the VR&E program has stopped indefinitely and I am worried. I need help with my VR&E, I am a disabled veteran and I am almost done using all my GI benefits, but I have more schooling to complete. I am worried about taking out loans to finish my program because I am struggling to balance a full-time job and going to school- so far my school work has suffered this semester.*

*The new semester is coming up and I'm not sure if I'll be able to continue in the program if the money doesn't come through.*

*I can barely make rent as a full-time student. I really need to get paid so this is very frustrating for me.*

*I am going hungry just so my family can have food. This shutdown is making people who rely on the VA suffer.*

*Veterans are suffering from loss of compensation. This must change and be rectified immediately!*

*I have to work more which takes away time from studying. I can't find out when my benefits will be processed which is stressing me out.*

*These education benefits are a big reason why I can go to college and afford it, but not having them is causing stress.*

*I can't get help navigating the system. The shutdown has made an already stressful situation feel hopeless.*

*I am scared whether or not I'll be able to pay my tuition and I just applied for a 3rd job to try to pay for my tuition that I needed my benefits to help pay for college.*

*I have been struggling greatly financially. It has negatively impacted my mental health and continues to make my mental health decline.*

*This has made me very anxious and uncomfortable because I have been waiting for months on my payment.*

*The uncertainty is stressful just because we rely on these programs for our livelihood.*

*I am overwhelmed and worried about how I will pay my bills.*

*I am broke like a lot of other students but this especially affects me as I try to use my benefits to graduate debt free.*

*I am stressed out of my skull right now.*

### Prepared Statement of Student Veterans of America

Chairman Barrett and Van Orden, Ranking Member Budzinski and Pappas, and Members of the Subcommittees: Thank you for inviting Student Veterans of America (SVA) to submit a statement for the record on this important hearing titled “*Digital G.I. Bill Undelivered: Contracting Challenges and the Need for Acquisition Reform*” today.

With a mission focused on empowering student veterans, SVA is committed to providing an educational experience that goes beyond the classroom. Through a dedicated and expansive network of on-campus chapters across the country, SVA aims to inspire yesterday’s warriors by connecting student veterans with a community of like-minded chapter leaders. Every day these passionate leaders work to provide the necessary resources, network support, and advocacy to ensure student veterans, military-connected students, their families, caregivers, and survivors can effectively connect, expand their skills, and ultimately achieve their greatest potential.

SVA thanks the Subcommittees for considering this issue that would impact student veterans, military-connected students, their families, caregivers, and survivors in higher education.

#### Introduction

In 2026, the GI Bill remains one of the most powerful tools for veteran success, offering pathways to higher education, economic mobility, and long-term well-being. For many transitioning service members, the GI Bill serves as their first interaction with Department of Veterans Affairs (VA), making it a defining moment that shapes their trust in the whole of VA. A smooth, transparent experience encourages veterans to explore the full range of VA services, from mental health care to career resources, while systemic hurdles discourage engagement. If fully optimized, the GI Bill can serve as the “front door” to VA, ensuring that veterans not only achieve the economic mobility promised by their service and education but also remain engaged in the broader network of programs designed to support them throughout their lives. The past several years have seen significant advancements in the administration of the GI Bill, including investments in information technology modernization, automation of benefit processing, and customer service reform within the Veterans Benefits Administration have reduced delays and improved reliability.<sup>1</sup> These improvements are significant precisely because they reduce visibility, in that education benefits are most effective when they recede into dependability rather than demand constant management by the beneficiary. Such gains, however, are not self-sustaining. They require continued oversight to ensure that modernization efforts remain responsive to veteran experience rather than driven solely by system efficiency. A direct example of this oversight happened on December 16, 2025, when the Subcommittee on Economic Opportunity had a hearing titled “*Detrimental Delays: Reviewing Payment Failures in VA’s Education Programs*.” This hearing explored the impact that the interruption of Federal funding had on our beneficiaries utilizing their Chapter 31 Veteran Readiness and Employment or Chapter 35 Survivors and Dependents educational benefits starting on October 1, 2025. Chapter 35 beneficiaries throughout the Nation started off their Fall 2025 semester without receiving their Monthly Housing Allowance (MHA) due to various technological issues. These students turned to the Department of Veterans Affairs (VA) Education Service for help through their counselors or through the GI Bill Hotline. GI Bill users were unwillingly placed into a state of uncertainty after having to rely heavily on these critical operations to stay enrolled and housed.

#### GI Bill Hotline

As of February 2024, nearly 840,000 students were receiving some GI Bill benefits, with almost 600,000 of them enrolled at campuses with an SVA chapter.<sup>2,3</sup> The GI Bill Hotline (GIBH) is the only place where a student can speak with a live representative about any question they have regarding their GI Bill education benefits. The GIBH is open Monday through Friday between 8 a.m. to 7 p.m. ET by dial-

<sup>1</sup> U.S. Department of Veterans Affairs. (n.d.). *Transforming the GI Bill experience*. Digital VA. Retrieved February 19, 2025, from <https://digital.va.gov/delightful-end-user-experience/transforming-the-gi-bill-experience/>.

<sup>2</sup> According to the VBA Annual Benefits Report Fiscal Year 2023, updated February 2024, there were 843,135 recipients combined of the Post-9/11 GI Bill (chapter 33), MGIB-AD (chapter 30), MGIB-SR (1606), DEA (chapter 35), and VEAP (chapter 32).

<sup>3</sup> The number of those receiving GI Bill benefits reported by campus in the VA’s GI Bill Comparison Tool dataset were cross-referenced with campuses present in the SVA system of record as having an SVA chapter.

ing 888-GIBILL-1 (888-442-4551).<sup>4</sup> By calling that hotline, a student can speak with a VA representative, knowledgeable in education benefits, to verify payments, fix billing errors, and get real-time benefit guidance when they are unable otherwise. When the interruptions of Federal funding forced the GIBH to close on October 1, 2025, it had potentially left roughly 840,000 students using VA education benefits with nowhere to turn when their monthly benefits were delayed – risking eviction, dis-enrollment, or withdrawal. Students utilizing Chapter 31 Veteran Readiness & Employment (VR&E) were impacted even further to the hotline closing when all Vocational Rehabilitation Counselors (VRC) were also furloughed on October 3, 2025.<sup>5</sup> Direct communication with VA on education benefits came to a halt, leaving AskVA.gov as the sole channel. Responses were significantly delayed and often failed to provide useful or actionable information.

### **Vocational Rehabilitation Counselors**

The VR&E program has continually evolved to better serve veterans and service members with service-connected disabilities. This unique program is designed to help them prepare for, secure, and sustain meaningful and suitable employment to obtain economic mobility post-service. VRCs are responsible for approving academic plans, authorizing reimbursement stipends for educational supplies, and guiding employment readiness.

In December 2024, SVA testified on the crucial role that VR&E plays in workforce reintegration and how its inconsistencies in service delivery have often left veterans in precarious financial and academic situations.<sup>6</sup> SVA conducted a survey of its members about their experiences with the VR&E program,<sup>7</sup> and a majority of respondents said they would recommend the program to other service-connected disabled veterans seeking to prepare for, find, and maintain employment.<sup>8</sup> However, the most significant barrier identified was communication, nearly one-third reported they could rarely reach their VRC, and three-in-four had inconsistent access.<sup>9</sup> These gaps have led to delayed approvals, interrupted stipends, and stalled economic growth and career progress.<sup>10</sup> What was once already a strained system had reached a standstill amidst the lapse in Federal funding, and was further exacerbated by the closing of the GIBH. This left many disabled student veterans uncertain about their ability to continue their training, secure meaningful employment, and provide for their families.

### **Chapter 35 Survivors' and Dependents' Educational Assistance (DEA) Beneficiaries**

GI Bill beneficiaries utilizing their Chapter 35 VA Educational Benefits include children and spouses of veterans or service members who have died, been captured or are missing, or are totally disabled from a service-connected disability.<sup>11</sup> The payments help eligible students pay for school or cover expenses while training for a job. Full-time students enrolled in this program receive nearly \$1,600 each month from VA. SVA, as well as many other veteran and military serving organizations, has heard an increasing number of issues among membership on VA system failures that have compounded in light of the funding pause causing nationwide delays in education payments for dependents and survivors relying on Chapter 35 benefits.<sup>12</sup>

One family reached out to SVA about their communications via the GIBH throughout the month of September with the goal of resolving their issue before their daughter started their term in November. VA instructed the family to continuously check in using the GIBH throughout the following weeks of October. However, their calls went unanswered once the GIBH halted, resulting in impact to the de-

<sup>4</sup> U.S. Department of Veterans Affairs, Veterans Benefit Administration Education and Training Contact Us, [https://www.benefits.va.gov/gibill/contact\\_us.asp](https://www.benefits.va.gov/gibill/contact_us.asp).

<sup>5</sup> U.S. Department of Veterans Affairs, *Human Capital Contingency Plan*, last updated Oct. 3, 2025, <https://department.va.gov/contingency-planning/human-capital-contingency-plan/#table-3-va-functions-to-be-suspended-by-administration-or-staff-office>.

<sup>6</sup> Student Veterans of America, EXAMINING the EFFECTIVENESS of the VETERANS READINESS and EMPLOYMENT (VR&E) PROGRAM, December 11, 2025, <https://docs.house.gov/meetings/VR/VR10/20241211/117750/HHRG-118-VR10-20241211-SD003.pdf>.

<sup>7</sup> Student Veterans of America, 2024 VR&E Exploration Survey.

<sup>8</sup> Id.

<sup>9</sup> Id.

<sup>10</sup> Id.

<sup>11</sup> U.S. Department of Veterans Affairs, *Survivors' and Dependents' Educational Assistance*, last updated Aug. 4, 2025, <https://www.va.gov/family-and-caregiver-benefits/education-and-careers/dependents-education-assistance/>.

<sup>12</sup> Linda Hersey, *Computer 'glitch' delays higher-ed payments for veterans' dependents and survivors*, Oct. 15, 2025, <https://www.stripes.com/veterans/2025-10-16/veterans-gi-bill-payments-shutdown-19448904.html>.

pendent's enrollment. It is without question that these delays have created real financial strain and uncertainty; many are now struggling to cover basic living expenses such as rent, utilities, and transportation. Others are facing the difficult prospect of taking on additional debt or withdrawing from classes to avoid falling further behind financially.

### **Recommendations**

With the GIBH closed and VRC furloughed, students had no direct path to resolve payment issues or confirm their benefit status. This led to uncertainty, financial strain, and the risk of dis-enrollment or withdrawal of students across the country. Even while these services were suspended, campuses remained open, classes continued, and student veterans pressed forward in pursuit of their education and career goals. Below are several recommendations from SVA to improve processes and prevent similar disruptions in the future.

First, it is imperative that VA designate all VRC roles and at least a portion of staffing for the GI Bill Hotline as "essential service" providers and protect these services from future funding interruptions. This would ensure that students retain access to support services and do not go without the education benefits they earned or that were earned for them. Second, SVA urges VA to provide timely communications in a transparent and plain manner to students, schools, Congress, and veteran/military serving organizations when the risk of payment delays are known in advance. Last, SVA recommends VA adopt an IT rollout plan that avoids the start of a new academic term and add/drop class period. Although not every school's calendar is aligned, there are times throughout the year that are high-traffic in terms of enrollment, graduation, etc., and VA should understand when these periods fall throughout the year. The beginning of a term poses the highest risk to students if that system does malfunction. The add/drop period are when school certifying officials can confirm a students' course enrollment for the term. Implementing changes at a different time would allow VA to fully test and stabilize its systems before they are implemented to the larger user base.

These recommendations will ensure that students will continue to get their benefits in a timely manner and have a trusted VA resource to assist them when they are in a significant time of need. It would additionally build trust for VA service users and ensure that the "front door" is not a barrier to entry. Transparency and accountability must be held to the highest standard when the livelihood of student veterans, military-connected students, family members, caregivers, and survivors are at risk. Modern technology can be used to make VA benefits easier, faster, and more reliable to access and process. If these upgrades are implemented properly, student veterans can focus on their education and career goals rather than spending time navigating a broken, outdated system.

SVA welcomes any communication with VA to assist in disseminating timely information to students when an issue arises. Additionally, SVA would request that the GI Bill Stakeholder meetings return to their regular cadence. These meetings have historically been a valuable and effective forum for veteran-and military-serving organization engagement and an important tool for highlighting educational benefit issues early.

The continued success of veterans in higher education in the Post-9/11 era is no mistake or coincidence. In our Nation's history, educated veterans have always been the best of a generation and the key to solving America's most complex challenges. Today's student veterans carry this legacy forward.

We thank the Chairmen, Ranking Members, and the Members of the Subcommittees for your time, attention, and devotion to the cause of veterans, military-connected students, their families, caregivers and survivors.

